
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Privateco Offer or as to the action to be taken, you should consult a licensed securities dealer or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Cherrytime Investments Limited, you should at once hand this Composite Document and the accompanying Form of Acceptance and Transfer to the purchaser or transferee, or to the licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

WING TAI PROPERTIES INVESTMENT LIMITED

(Incorporated in the BVI with limited liability)

CHERRYTIME INVESTMENTS LIMITED

(Incorporated in the BVI with limited liability)

**COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO THE
VOLUNTARY UNCONDITIONAL CASH OFFER BY STANDARD CHARTERED BANK
(HONG KONG) LIMITED ON BEHALF OF
WING TAI PROPERTIES INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN THE
CAPITAL OF CHERRYTIME INVESTMENTS LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY IT
OR WING TAI PROPERTIES LIMITED)**

Financial Adviser to Wing Tai Properties Investment Limited



Independent Financial Adviser to the Independent Privateco Shareholders



SOMERLEY LIMITED

Capitalised terms used in this cover page shall have the same meaning as those defined in the section headed "Definitions" in this Composite Document.

A letter from SCB containing, among other things, details of the terms of the Privateco Offer, is set out on pages 6 to 12 of this Composite Document. A letter from Somerley containing its advice to the Independent Privateco Shareholders in respect of the Privateco Offer is set out on pages 18 to 31 of this Composite Document.

A letter from the Privateco Board is set out on pages 13 to 17 of this Composite Document.

The procedures for acceptance and settlement of the Privateco Offer and other related information are set out on pages I-1 to I-5 in Appendix I to this Composite Document and in the accompanying Form of Acceptance and Transfer. Acceptances of the Privateco Offer should be received by the Transfer Agent (Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) by no later than 4:00 p.m. on Monday, 13 August 2012 or such later time or date as WTPIL may determine and announce, with the consent of the Executive, in accordance with the Takeovers Code.

23 July 2012

CONTENTS

	<i>Page</i>
Expected timetable	ii
Definitions	1
Letter from SCB	6
Letter from the Privateco Board	13
Letter from Somerley	18
Appendix I — Further terms of the Privateco Offer	I-1
Appendix II — Financial information on the Privateco Group	II-1
Appendix III — Unaudited pro forma financial information of the Privateco Group .	III-1
Appendix IV — Valuation reports of properties comprised in the Distributed Businesses	IV-1
Appendix V — Summary of the articles of association of Privateco and BVI company law	V-1
Appendix VI — General information	VI-1

EXPECTED TIMETABLE

Privateco Offer opens for acceptance Monday, 23 July 2012

Latest time and date for acceptance of the Privateco Offer 4:00 p.m. on Monday,
13 August 2012

Closing date of the Privateco Offer (*Note 1*) Monday, 13 August 2012

Announcement of the results of the Privateco Offer
posted on the Stock Exchange's website under
Wing Tai Properties Limited
and the SFC's website (*Note 1*) By 7:00 p.m. on Monday,
13 August 2012

Announcement of the results of the Privateco Offer
published in the newspapers Tuesday, 14 August 2012

Latest date for posting of remittances for the amounts
due in respect of valid acceptances received under
the Privateco Offer (*Note 2*) Wednesday, 22 August 2012

Notes:

1. The Privateco Offer, which is unconditional, will close on Monday, 13 August 2012 unless WTPIL revises or extends the Privateco Offer in accordance with the Takeovers Code. An announcement will be issued through the Stock Exchange's website under Wing Tai Properties Limited and the SFC's website by 7:00 p.m. on Monday, 13 August 2012 stating whether or not the Privateco Offer has closed, been revised or extended, and (if and to the extent revised or extended) the next closing date or that the Privateco Offer will remain open until further notice. If WTPIL decides that the Privateco Offer will remain open until further notice, at least 14 days' notice in writing will be given before the Privateco Offer is closed to those Independent Privateco Shareholders who have not accepted the Privateco Offer.
2. Acceptance of the Privateco Offer shall be irrevocable and shall not be capable of being withdrawn, except in the circumstances set out in Rule 19.2 of the Takeovers Code. Remittances in respect of the cash consideration payable for the Privateco Shares tendered under the Privateco Offer will be posted to the accepting Privateco Shareholder(s) at his/her/its own risk as soon as possible but in any event within seven business days of the date of receipt by the Transfer Agent of a duly completed Form of Acceptance and Transfer.

All time and date references contained in this Composite Document and the Form of Acceptance and Transfer refer to Hong Kong time and dates.

DEFINITIONS

In this Composite Document, unless otherwise defined or the context requires otherwise, the following expressions have the meaning set out below:

“acting in concert”	has the meaning defined in the Takeovers Code
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Business Day”	a day (excluding a Saturday or Sunday and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are open for general banking business
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Closing Date”	13 August 2012, or if the Privateco Offer is extended, the closing date of the Privateco Offer as extended by WTPIL in accordance with the Takeovers Code
“Composite Document”	this composite offer and response document issued jointly by WTPIL and Privateco
“Distributed Businesses”	all businesses of the Winsor Group prior to the Distribution In Specie, other than the business of holding or relating to the Property, as carried on by the Privateco Group
“Distribution In Specie”	the distribution in specie of the Privateco Shares by Winsor to the Winsor shareholders which was completed on 16 July 2012
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any delegate of the Executive Director
“Form of Acceptance and Transfer”	the form of acceptance and transfer of the Privateco Shares in respect of the Privateco Offer accompanying this Composite Document
“Group Reorganisation”	the reorganisation of the Winsor Group, details of which were set out in the Winsor Circular
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Privateco Shareholders”	Privateco Shareholders other than Wing Tai, its associates and parties acting in concert with it, but including the Wing Tai Connected Persons
“Joint Announcement”	the announcement issued by Wkland Investments, Wing Tai and Winsor on 14 May 2012 in respect of the Transactions
“Listco Offer”	the unconditional mandatory cash offer to be made by CITIC Securities Corporate Finance (HK) Limited on behalf of Wkland Investments to acquire all the issued shares in Winsor (other than those already owned or agreed to be acquired by Vanke Property (Hong Kong) Company Limited, Wkland Investments and parties acting in concert with any of them)
“Latest Practicable Date”	20 July 2012, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information referred to in this Composite Document
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Agreement”	the management agreement entered into between Privateco and Future Best Developments Limited on 18 June 2012, details of which were set out in the Winsor Circular
“New Tenancy Agreements”	the tenancy agreements and new licence agreements (as the case may be) each dated 18 June 2012, details of which were set out in the Winsor Circular
“Offers”	the Listco Offer and the Privateco Offer
“Privateco”	Cherrytime Investments Limited, a company incorporated in the BVI with limited liability for the purpose of holding the Distributed Businesses
“Privateco Board”	the board of directors of Privateco
“Privateco Directors”	directors of Privateco
“Privateco Group”	Privateco and its subsidiaries
“Privateco Offer”	the voluntary unconditional cash offer contained in this Composite Document made by SCB on behalf of WTPIL to acquire all the Privateco Shares (other than those already owned or agreed to be acquired by WTPIL or Wing Tai)
“Privateco Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Privateco

DEFINITIONS

“Privateco Shareholder(s)”	holder(s) of the Privateco Shares
“Property”	all those units and car park podium in Regent Centre owned by members of the Remaining Group (excluding Units 505-510, 5/F, Tower B of Regent Centre which form part of the Distributed Businesses), as set out in the valuation report in Section A of Appendix VII to the Winsor Circular, situated at 63 Wo Yi Hop Road and 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong with a total gross floor area of approximately 657,000 square feet, representing approximately 63.8% of the total gross floor area of Regent Centre
“Relevant Period”	the period beginning six months prior to 14 May 2012 (being the date of commencement of the offer period for the Privateco Offer) and ending on and including the Latest Practicable Date
“Remaining Group”	Winsor, Future Best Developments Limited, Access Rich Limited, Chericourt Company Limited, Winsor Parking Limited and WPFSL
“Sale Shares”	the aggregate interest of (i) 191,935,845 shares in Winsor directly and indirectly owned by Wing Tai as at the date of the Share Sale Agreement and (ii) 13,900,000 shares in Winsor acquired by Wing Tai after the date of the Share Sale Agreement
“SCB”	Standard Chartered Bank (Hong Kong) Limited, a corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and the financial adviser to WTPIL
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“share(s) in Winsor”	ordinary share(s) of HK\$0.01 in the share capital of Winsor
“Share Sale Agreement”	the agreement dated 13 May 2012 entered into between Wing Tai, Vanke Property (Hong Kong) Company Limited and Vanke Real Estate (Hong Kong) Company Limited in respect of, among other things, the acquisition by Vanke Property (Hong Kong) Company Limited of the Sale Shares
“Share Sale Completion”	completion of the Share Sale Agreement

DEFINITIONS

“Somerley”	Somerley Limited, a corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser to the Independent Privateco Shareholders in relation to the Privateco Offer
“Special Cash Dividend”	a cash dividend of HK\$0.7803 per share in Winsor made at the same time as the completion of the Distribution In Specie
“Special Deals”	(a) the Management Agreement; (b) (i) the acquisition of shares in WPFSL by Future Best Developments Limited, (ii) the repayment of outstanding shareholders’ loans that are owed to Parex International Limited by WPFSL and (iii) the declaration and payment of dividends by Chericourt Company Limited and WPFSL, details of which were disclosed in the Winsor Circular; and (c) the New Tenancy Agreements
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Transactions”	the transactions contemplated in the Share Sale Agreement, including the sale and purchase of the Sale Shares, the Group Reorganisation, the Distribution In Specie, the Special Cash Dividend, the Listco Offer and the Privateco Offer
“Transfer Agent”	the transfer agent for the Privateco Shares in respect of the Privateco Offer, being Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong
“Twin Dragon”	Twin Dragon Investments Limited, a wholly-owned subsidiary of Wing Tai Properties (B.V.I.) Limited, which is a wholly-owned subsidiary of Wing Tai
“Wing Tai”	Wing Tai Properties Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 369)
“Wing Tai Circular”	the circular of Wing Tai dated 20 June 2012 in relation to, among other things, the Transactions

DEFINITIONS

“Wing Tai Connected Persons”	Chow Wai Wai, John, Kwok Ping Luen, Raymond, Chen Chou Mei Mei, Vivien and Cheng Chan Sau Ching, Ivy, who together hold 2,810,500 Privateco Shares as at the Latest Practicable Date
“Wing Tai Directors”	directors of Wing Tai
“Wing Tai Group”	Wing Tai and its subsidiaries
“Winsor”	Winsor Properties Holdings Limited, 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 (Stock Code: 1036)
“Winsor Circular”	the circular of Winsor dated 20 June 2012 in relation to, among other things, the Transactions
“Winsor EGM”	the extraordinary general meeting of Winsor held on 9 July 2012
“Winsor Group”	Winsor and its subsidiaries
“Winsor shareholder(s)”	holder(s) of the share(s) in Winsor
“Wkland Investments”	Wkland Investments Company Limited, a company incorporated in the BVI with limited liability
“WPFSL”	Winsor Properties Financial Services Limited, a subsidiary of Winsor prior to the completion of the Group Reorganisation and the Distribution In Specie and a subsidiary of Privateco after the completion of the Group Reorganisation and the Distribution In Specie
“WTPIL”	Wing Tai Properties Investment Limited, a company incorporated in the BVI and a wholly-owned subsidiary of Wing Tai
“WTPIL Directors”	directors of WPTIL
“%”	per cent.

The English text of this Composite Document shall prevail over its Chinese text.

LETTER FROM SCB



To the Independent Privateco Shareholders

Dear Sir or Madam,

**VOLUNTARY UNCONDITIONAL CASH OFFER BY STANDARD CHARTERED BANK
(HONG KONG) LIMITED ON BEHALF OF WING TAI PROPERTIES INVESTMENT
LIMITED TO ACQUIRE ALL THE ISSUED SHARES IN THE
CAPITAL OF CHERRYTIME INVESTMENTS LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY IT
OR WING TAI PROPERTIES LIMITED)**

On 9 July 2012, the resolutions in respect of, among other things, the Distribution In Specie and Special Cash Dividend were duly approved at the Winsor EGM. On 16 July 2012, Share Sale Completion took place and the Distribution In Specie was made and the Special Cash Dividend was paid. It was announced in the Joint Announcement and the Winsor Circular that SCB would, after the Share Sale Completion, completion of the Distribution In Specie and payment of the Special Cash Dividend, make the Privateco Offer, which is voluntary and unconditional, on behalf of Wing Tai or a wholly-owned subsidiary of Wing Tai to acquire all Privateco Shares not already owned or agreed to be acquired by Wing Tai (including those Privateco Shares owned by the Wing Tai Connected Persons).

This letter sets out, among other things, the terms of the Privateco Offer, information on WTPIL and the intentions of WTPIL regarding the Privateco Group. Further details of the terms of the Privateco Offer are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance and Transfer.

THE PRIVATECO OFFER

On behalf of WTPIL, a wholly-owned subsidiary of Wing Tai, SCB, is making the Privateco Offer to the Independent Privateco Shareholders to acquire all the Privateco Shares held by the Independent Privateco Shareholders, which is unconditional in all respects and in compliance with the Takeovers Code on the following terms:

for each Privateco Share held HK\$27.60 in cash

Following the Distribution In Specie and as at the Latest Practicable Date, Privateco had 259,685,288 Privateco Shares in issue. As a result of the Distribution In Specie, Wing Tai and parties acting in concert with it (but excluding the Wing Tai Connected Persons) were interested in an aggregate of 205,835,845 Privateco Shares, representing approximately 79.26% of the issued share capital of Privateco as at the Latest Practicable Date. Accordingly, there are a total of 53,849,443 Privateco Shares (representing approximately 20.74% of the share capital of Privateco in issue as at the Latest Practicable Date) subject to the Privateco Offer.

LETTER FROM SCB

The Privateco Shares to be acquired under the Privateco Offer shall be fully paid and free from all liens, charges, claims and encumbrances and any third party rights together with all rights attaching to them from the date of the issue of the Privateco Shares, including the right to receive all dividends and distributions declared, made or paid on or after the date of the issue of those Privateco Shares.

The offer price of HK\$27.60 per Privateco Share under the Privateco Offer represents a discount of approximately 27.62% to the unaudited pro forma net asset value of approximately HK\$38.13 per Privateco Share, calculated on the basis of the unaudited pro forma net asset value of the Privateco Group of approximately HK\$9,864.93 million, as at 31 December 2011, as set out in Appendix III to this Composite Document, an upward adjustment of HK\$37.0 million based on the valuation of investment properties of the Privateco Group as at 30 April 2012 and assuming that the Group Reorganisation and the Distribution In Specie had taken place on 31 December 2011 and a total of 259,685,288 Privateco Shares were in issue as at 31 December 2011.

Save for the 259,685,288 Privateco Shares in issue, as at the Latest Practicable Date, Privateco had no outstanding securities, options, warrants or derivatives, securities which are convertible or which confer rights to require the issue of Privateco Shares and Privateco had no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The Privateco Offer is unconditional in all respects. Under the terms of the Privateco Offer, acceptance of the Privateco Offer is irrevocable and once given cannot be withdrawn except in the circumstances set out in Rule 19.2 of the Takeovers Code. The Executive may require that the Independent Privateco Shareholders accepting the Privateco Offer be granted a right of withdrawal, on terms acceptable to the Executive, until the requirements under Rule 19 of the Takeovers Code can be met.

Further details of the Privateco Offer including, among other things, the terms and conditions of and the procedures for acceptance and settlement for the Privateco Offer are set out in Appendix I to this Composite Document and the accompanying Form of Acceptance and Transfer.

Value and financing of the Privateco Offer

On the basis of the offer price of HK\$27.60 per Privateco Share, the entire existing issued share capital of Privateco of 259,685,288 Privateco Shares is valued at approximately HK\$7,167.3 million. There are 53,849,443 Privateco Shares subject to the Privateco Offer. Accordingly, the Privateco Offer values such shares at approximately HK\$1,486.2 million based on the offer price of HK\$27.60 per Privateco Share.

The amount of funds required for the acquisition of the Privateco Shares pursuant to the Privateco Offer will be financed from (i) the consideration that Wing Tai and Twin Dragon received from the sale of the Sale Shares on Share Sale Completion; (ii) the Special Cash Dividend that Wing Tai and Twin Dragon received; (iii) a facility provided by SCB; and (iv) the internal resources of Wing Tai. Wing Tai does not intend that the payment of interest on, repayment of or security for any liability (contingent or otherwise) incurred by it in connection with the facility provided by SCB which may be used to finance the Privateco Offer will depend to any significant extent on the business of Privateco.

SCB is satisfied that sufficient financial resources are available to WTPIL to satisfy full acceptance of the Privateco Offer.

LETTER FROM SCB

Effect of accepting or not accepting the Privateco Offer

By accepting the Privateco Offer, the Independent Privateco Shareholders will sell their Privateco Shares and all rights attached thereto to WTPIL free from all liens, charges, claims and encumbrances and any third party rights together with all rights attached to them from the date of the issue of the Privateco Shares, including the right to receive all dividends and distributions declared, made or paid on or after the date of the issue of those Privateco Shares.

The Privateco Offer provides a cash exit to the Independent Privateco Shareholders (at HK\$27.60 per Privateco Share) to realise all or part of their shareholdings in Privateco, which have no liquid market as there is no intention to list the Privateco Shares on any stock exchange. Moreover, the Privateco Shares may be subject to the compulsory acquisition provisions of the BVI Business Companies Act after the close of the Privateco Offer.

In addition, Privateco cannot assure the Independent Privateco Shareholders that it will declare any dividends in the future. The historical dividend payments of Winsor should not be taken as an indication of any future dividends for Privateco and there can be no assurance that Privateco will declare dividends in the future. Any dividends proposed by the Privateco Directors are discretionary and any future dividends will be subject to the recommendation of the Privateco Board. No dividend may be paid, and no distribution may be made, if to do so would render Privateco unable to pay its debts as they become due or the value of its assets would thereby become less than its liabilities immediately after the payment or distribution.

Unless a request for a share certificate is made by a Privateco Shareholder prior to the Closing Date, the share certificates of Privateco will be posted after the close of the Privateco Offer by ordinary post only to the Privateco Shareholders who do not accept the Privateco Offer at their own risk. A request for a share certificate shall be made by a Privateco Shareholder in writing or in person to Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. A share certificate will be available for collection or posted by ordinary post at the Privateco Shareholder's risk after 10 Business Days of such request being made.

Special deals

Management Agreement

The operation and management of the companies and properties within the Winsor Group were, prior to the completion of the Distribution In Specie, centrally organised. Pursuant to the Group Reorganisation, the sole real estate asset of the Remaining Group after the Distribution In Specie is the Property. All the employees whose roles were, prior to the Group Reorganisation, to operate and manage the Property, including providing estate and leasing management and the provision of company secretarial, bookkeeping and other related administrative services, are employed by companies within the Privateco Group, and which, after completion of the Distribution In Specie, ceased to be part of the Winsor Group.

Therefore, in order for the Remaining Group to be able to continue operating without interruption after the Distribution In Specie, Privateco and Future Best Developments Limited, a wholly-owned subsidiary of Winsor, have entered into the Management Agreement to provide for the continuation of the existing management and administration services provided by the relevant members of the Privateco Group to the Remaining Group.

LETTER FROM SCB

The Privateco Group continues to be part of the Wing Tai Group after the completion of the Distribution In Specie. As the benefits under the ongoing management and administration services were not capable of being extended to other Winsor shareholders, the Management Agreement constituted a special deal in relation to the Offers under Rule 25 of the Takeovers Code. Consent has been granted by the Executive to enter into the Management Agreement. As at the date of this Composite Document, all conditions attaching to such consent had been fulfilled and the Management Agreement is now in effect.

New Tenancy Agreements

Certain tenancy agreements and new licence agreements were entered into:

- (i) between entities which were, prior to the Distribution In Specie, members of the Winsor Group[†] (as landlord) and members of the Wing Tai Group (as tenant);
- (ii) between entities which were members of the Remaining Group (as landlord or licensor) and, prior to the Distribution In Specie, members of the Winsor Group[†] (as tenant or licensee); and
- (iii) between a member of the Remaining Group (as landlord) and a company in which Chow Wai Wai, John and Chen Chou Mei Mei, Vivien (both directors and shareholders of Winsor) were interested.

[†] After the Distribution In Specie, these members of the Winsor Group became part of the Privateco Group.

Details of the New Tenancy Agreements were set out in the Winsor Circular.

As the New Tenancy Agreements were entered into during the offer periods of the Offers, and as the arrangements under any New Tenancy Agreements were not capable of being extended to all Winsor shareholders, the New Tenancy Agreements constituted special deals in relation to the Offers under Rule 25 of the Takeover Code.

Consent has been granted by the Executive to enter into each of the New Tenancy Agreements. As at the date of this Composite Document, all conditions attaching to such consent had been fulfilled and the New Tenancy Agreements are now in effect.

COMPULSORY ACQUISITION

Subject to sufficient Privateco Shares being acquired, WTPIL intends to exercise its right to direct Privateco to redeem all the remaining Privateco Shares under the provisions of section 176 of the BVI Business Companies Act after the close of the Privateco Offer.

If WTPIL holds not less than 90% of the Privateco Shares in issue, WTPIL may, at any time, give notice (the “Request Notice”) to Privateco directing it to redeem the remaining Privateco Shares in

LETTER FROM SCB

accordance with section 176 (and subject to section 179) of the BVI Business Companies Act. Upon receipt of the Request Notice, Privateco shall send a notice of compulsory redemption and cancellation to the holders of the remaining Privateco Shares containing all relevant information in the manner prescribed by the BVI Business Companies Act.

In addition to the aforesaid requirement, Rule 2.11 of the Takeovers Code requires that in order for WTPIL to exercise its rights under BVI law to direct Privateco to redeem all the remaining Privateco Shares, WTPIL must have received acceptances of the Privateco Offer during the period of 4 months after posting of this Composite Document amounting to not less than 90% of the disinterested Privateco Shares.

If the relevant thresholds are not reached for the exercise of the compulsory acquisition rights referred to above, the Independent Privateco Shareholders who do not accept the Privateco Offer will end up holding Privateco Shares which are unlisted. It may be difficult for the holders of Privateco Shares to dispose of the Privateco Shares as no on-market trading facilities for such shares will be available.

Further announcements will be made about the exercise of such right of compulsory acquisition.

HONG KONG STAMP DUTY

Given that Privateco is a company incorporated in the BVI and its register of members is located and maintained offshore, no Hong Kong stamp duty will be payable on any transfer of the Privateco Shares.

INFORMATION ON WTPIL AND WING TAI

WTPIL is a company incorporated in the BVI and its directors are Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Au Hing Lun, Dennis and Fung Ching Man, Janet. WTPIL is a wholly-owned subsidiary of Wing Tai, an investment holding company the shares of which are listed on the main board of the Stock Exchange (stock code: 369). The principal subsidiaries of Wing Tai are engaged in property development, property investment and management, hospitality investment and management, garment manufacturing and investing activities.

INTENTION OF WTPIL REGARDING PRIVATECO

Given that the Privateco Shares will not be listed on the Stock Exchange or any other stock exchange, it will be difficult, if not impossible, for holders of the Privateco Shares to liquidate their holdings in the Privateco Shares. Wing Tai considers, in these circumstances, that it is appropriate to provide the Privateco Shareholders with an opportunity to realise their holdings in the Privateco Shares by making, through its wholly-owned subsidiary, WTPIL, the Privateco Offer on a voluntary basis pursuant to the Takeovers Code.

It is the intention of WTPIL and Wing Tai that the Privateco Group will not make changes to its principal businesses nor conduct any business other than the Distributed Businesses and the businesses conducted by members of the Privateco Group. WTPIL and Wing Tai do not intend to introduce any

LETTER FROM SCB

major changes to the existing operation or to discontinue the employment of any employees of the Privateco Group (other than discontinuation of employment in the ordinary course of business of the Privateco Group). There is no plan for WTPIL or Wing Tai to redeploy any fixed assets of the Privateco Group other than in its ordinary course of business. It is also the intention of WTPIL and Wing Tai that the Privateco Group will not hold any assets other than those relating to the Distributed Businesses, nor be injected any major assets, nor dispose of any major assets, after the close of the Privateco Offer. WTPIL also expects that there will be no material change to the existing business of the Privateco Group.

The Privateco Shares are unlisted and may be illiquid, and there is no intention to apply for listing of the Privateco Shares on the Stock Exchange or any other stock exchange. The interests of the Privateco Shareholders will, however, be safeguarded by the memorandum and articles of association of Privateco and BVI company law, but which are not the same as the corporate governance and minority shareholder protections set out in the Listing Rules that applied when Independent Privateco Shareholders held shares in Winsor.

A summary of the memorandum and articles of association of Privateco as well as certain aspects of BVI company law is set out in Appendix V to this Composite Document.

Notwithstanding that there is no intention for the Privateco Group to conduct any fund raising activities, the Privateco Group may require further funding from the Privateco Shareholders for the development of its business in the future but no plan in respect of any fund raising activities has been contemplated as at the Latest Practicable Date.

ACCEPTANCE AND SETTLEMENT

Appendix I to this Composite Document and the Form of Acceptance and Transfer contain further details regarding the procedures for acceptance and settlement of the Privateco Offer and further terms of the Privateco Offer.

TAXATION

You are recommended to consult your own professional advisers if you are in any doubt as to the taxation implications of your acceptance of the Privateco Offer. It is emphasised that none of WTPIL, Wing Tai, Privateco, SCB, any of their respective directors or any persons involved in the Privateco Offer accepts responsibility for any tax effects or liabilities of any person or persons as a result of their acceptance of the Privateco Offer.

OVERSEAS PRIVATECO SHAREHOLDERS

The making of the Privateco Offer in, or to the Independent Privateco Shareholders in, any jurisdiction outside Hong Kong may be affected by the laws of the relevant jurisdictions. Independent Privateco Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong should inform themselves about, and observe, all applicable legal and regulatory requirements of the relevant jurisdictions.

LETTER FROM SCB

It is the responsibility of any Independent Privateco Shareholder not resident in Hong Kong who wishes to accept the Privateco Offer to satisfy himself as to the full observance of all the applicable laws and regulations of any relevant jurisdiction in connection therewith, including obtaining any governmental, exchange control or other consent which may be required, complying with any other necessary formality and paying any issue, transfer or other taxes due in respect of such jurisdiction.

INDEPENDENT ADVICE

Somerley Limited has been appointed as the independent financial adviser to advise the Independent Privateco Shareholders (i) as to whether the terms of the Privateco Offer are, or are not, fair and reasonable; and (ii) as to the acceptance of the Privateco Offer. Your attention is drawn to their letter of advice to the Independent Privateco Shareholders set out on pages 18 to 31 of this Composite Document.

ADDITIONAL INFORMATION

Your attention is drawn to the section headed “Expected Timetable” on page ii of this Composite Document, the accompanying Form of Acceptance and Transfer and the additional information set out in the appendices which form part of this Composite Document.

Yours faithfully,
For and on behalf of
Standard Chartered Bank (Hong Kong) Limited
Lodewijk Meens
Managing Director

LETTER FROM THE PRIVATECO BOARD

CHERRYTIME INVESTMENTS LIMITED

(Incorporated in the BVI with limited liability)

Directors:

Chow Wai Wai, John
Au Hing Lun, Dennis

Registered office:

Kingston Chambers
PO Box 173
Road Town, Tortola
British Virgin Islands

23 July 2012

To the Independent Privateco Shareholders

Dear Sir or Madam,

**VOLUNTARY UNCONDITIONAL CASH OFFER BY STANDARD CHARTERED BANK
(HONG KONG) LIMITED ON BEHALF OF WING TAI PROPERTIES INVESTMENT
LIMITED TO ACQUIRE ALL THE ISSUED SHARES IN THE CAPITAL OF
CHERRYTIME INVESTMENTS LIMITED (OTHER THAN THOSE ALREADY
OWNED OR AGREED TO BE ACQUIRED BY IT
OR WING TAI PROPERTIES LIMITED)**

INTRODUCTION

On 14 May 2012, it was jointly announced by Wing Tai, Winsor and Wkland Investments that Wing Tai, Vanke Property (Hong Kong) Company Limited and Vanke Real Estate (Hong Kong) Company Limited had entered into the Share Sale Agreement pursuant to which, among other things, Wing Tai had conditionally agreed to sell the Sale Shares to Vanke Property (Hong Kong) Company Limited.

The Share Sale Agreement was conditional upon, among other things, the completion of the Group Reorganisation, pursuant to which, the Winsor Group would, among other things, reorganise itself to form the Remaining Group (which is engaged in the business of holding, and the operation and management of, the Property) and the Privateco Group, the principal business of which includes: (i) the rental and property management business which currently holds office properties comprising developments known as Landmark East in Kwun Tong and W Square in Wan Chai and industrial properties comprising developments known as the Winner Godown Building in Tsuen Wan and Shui Hing Centre in Kowloon Bay; (ii) the warehousing business; (iii) investment holding; and (iv) from time to time, property development activities.

It was also announced that upon completion of the share transfer under the Share Sale Agreement, Winsor would distribute all of its Privateco Shares in specie to the Winsor shareholders

LETTER FROM THE PRIVATECO BOARD

whose names appeared on the register of members of Winsor on the record date for such distribution (being 13 July 2012) on the basis of one Privateco Share for each share in Winsor held. It was also announced that upon completion of the Distribution In Specie, SCB would, on behalf of Wing Tai (or a wholly-owned subsidiary of Wing Tai) and pursuant to the Takeovers Code, make the Privateco Offer to the Independent Privateco Shareholders.

The Share Sale Completion took place on 16 July 2012.

The Distribution In Specie took place on 16 July 2012, by which the Privateco Shares were distributed to the Winsor shareholders whose names appeared on the register of members of Winsor on 13 July 2012 on the basis of one Privateco Share for each share in Winsor then held.

This Composite Document provides you with, among other things, information on the Privateco Offer, the Privateco Group, the letter from SCB and the letter from Somerley containing its advice to the Independent Privateco Shareholders in respect of the Privateco Offer.

THE PRIVATECO OFFER

Introduction and Reasons for the Privateco Offer

As at the Latest Practicable Date, there were 259,685,288 Privateco Shares in issue. WTPIL, together with its associates and parties acting in concert with it (but excluding the Wing Tai Connected Persons to whom the Privateco Offer will extend), were interested in a total of 205,835,845 Privateco Shares, representing approximately 79.26% of the issued share capital of Privateco as at the Latest Practicable Date.

In its letter contained in this Composite Document, SCB, the financial adviser to WTPIL and on behalf of WTPIL, is making the Privateco Offer to the Independent Privateco Shareholders to acquire all the Privateco Shares held by the Independent Privateco Shareholders, which is unconditional in all respects and in compliance with the Takeovers Code, on the following basis:

for each Privateco Share held HK\$27.60 in cash

As stated in the Winsor Circular, the Privateco Offer will be extended to the Wing Tai Connected Persons who together hold 2,810,500 Privateco Shares. Accordingly, based upon a total of 259,685,288 Privateco Shares in issue and 205,835,845 Privateco Shares being beneficially owned by Wing Tai and its associates and its parties acting in concert with it (excluding the Wing Tai Connected Persons), representing approximately 79.26% of the share capital of Privateco in issue as at the Latest Practicable Date, 53,849,443 Privateco Shares (representing approximately 20.74% of the share capital of Privateco in issue) are subject to the Privateco Offer.

The Privateco Shares to be acquired under the Privateco Offer shall be fully paid and free from all liens, charges, claims and encumbrances and any third party rights together with all rights attaching to them from the date of issue of the Privateco Shares, including the right to receive all dividends and distributions declared, made or paid on or after the date of issue of those Privateco Shares.

LETTER FROM THE PRIVATECO BOARD

The offer price of HK\$27.60 per Privateco Share under the Privateco Offer represents a discount of approximately 27.62% to the unaudited pro forma net asset value of approximately HK\$38.13 per Privateco Share, calculated on the basis of the unaudited pro forma net asset value of the Privateco Group of approximately HK\$9,864.93 million, as at 31 December 2011, as set out in Appendix III to this Composite Document, an upward adjustment of HK\$37.0 million based on the valuation of investment properties of the Privateco Group as at 30 April 2012 and assuming that the Group Reorganisation and the Distribution In Specie had taken place on 31 December 2011 and a total of 259,685,288 Privateco Shares were in issue as at 31 December 2011.

Save for the 259,685,288 Privateco Shares in issue, as at the Latest Practicable Date, Privateco had no outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of Privateco Shares and Privateco had no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The Privateco Offer is unconditional in all respects. Under the terms of the Privateco Offer, acceptance of the Privateco Offer is irrevocable and once given cannot be withdrawn except in the circumstances set out in Rule 19.2 of the Takeovers Code. The Executive may require that the Independent Privateco Shareholders accepting the Privateco Offer be granted a right of withdrawal, on terms acceptable to the Executive, until the requirements under Rule 19 of the Takeovers Code can be met.

Further details of the Privateco Offer including, among other things, the terms and conditions of and the procedures for acceptance and settlement for the Privateco Offer are set out in the letter from SCB in this Composite Document, Appendix I to this Composite Document and the accompanying Form of Acceptance and Transfer.

Information on Privateco

Privateco is a company incorporated in the BVI for the purpose of holding the Distributed Businesses.

The Distributed Businesses operated by the Privateco Group consist of the businesses of the Winsor Group prior to the Distribution In Specie, other than those relating to the Property, which principally include: (i) the rental and property management business which currently holds office properties comprising developments known as Landmark East in Kwun Tong and W Square in Wan Chai and industrial properties comprising developments known as the Winner Godown Building in Tsuen Wan and Shui Hing Centre in Kowloon Bay; (ii) the warehousing business; (iii) investment holding; and (iv) from time to time, property development activities. The business of the Privateco Group will continue to be managed by the management team which managed the businesses of the Winsor Group prior to the Share Sale Completion and Distribution In Specie.

The financial information of the Privateco Group for the three years ended 31 December 2011 and the unaudited pro forma financial information of the Privateco Group are set out in Appendices II and III to this Composite Document.

LETTER FROM THE PRIVATECO BOARD

Special deals

Management Agreement

The operation and management of the companies and properties within the Winsor Group were, prior to the completion of the Distribution In Specie, centrally organised. Pursuant to the Group Reorganisation, the sole real estate asset of the Remaining Group after the Distribution In Specie is the Property. All the employees whose roles were, prior to the Group Reorganisation, to operate and manage the Property, including providing estate and leasing management and the provision of company secretarial, bookkeeping and other related administrative services, are employed by companies within the Privateco Group, and which, after completion of the Distribution In Specie, ceased to be part of the Winsor Group.

Therefore, in order for the Remaining Group to be able to continue operating without interruption after the Distribution In Specie, Privateco and Future Best Developments Limited, a wholly-owned subsidiary of Winsor, have entered into the Management Agreement to provide for the continuation of the existing management and administration services provided by the relevant members of the Privateco Group to the Remaining Group.

The Privateco Group continues to be part of the Wing Tai Group after the completion of the Distribution In Specie. As the benefits under the ongoing management and administration services were not capable of being extended to other Winsor shareholders, the Management Agreement constituted a special deal in relation to the Offers under Rule 25 of the Takeovers Code. Consent has been granted by the Executive to enter into the Management Agreement. As at the date of this Composite Document, all conditions attaching to such consent had been fulfilled and the Management Agreement is now in effect.

New Tenancy Agreements

Certain tenancy agreements and new licence agreements were entered into:

- (i) between entities which were, prior to the Distribution In Specie, members of the Winsor Group[†] (as landlord) and members of the Wing Tai Group (as tenant);
- (ii) between entities which were members of the Remaining Group (as landlord or licensor) and, prior to the Distribution In Specie, members of the Winsor Group[†] (as tenant or licensee); and
- (iii) between a member of the Remaining Group (as landlord) and a company in which Chow Wai Wai, John and Chen Chou Mei Mei, Vivien (both directors and shareholders of Winsor) were interested.

[†] After the Distribution In Specie, these members of the Winsor Group became part of the Privateco Group.

LETTER FROM THE PRIVATECO BOARD

Details of the New Tenancy Agreements were set out in the Winsor Circular.

As the New Tenancy Agreements were entered into during the offer periods of the Offers, and as the arrangements under any New Tenancy Agreements were not capable of being extended to all Winsor shareholders, the New Tenancy Agreements constituted special deals in relation to the Offers under Rule 25 of the Takeover Code.

Consent has been granted by the Executive to enter into each of the New Tenancy Agreements. As at the date of this Composite Document, all conditions attaching to such consent had been fulfilled and the New Tenancy Agreements are now in effect.

INTENTION OF WTPIL REGARDING THE PRIVATECO GROUP

Your attention is drawn to the letter from SCB in this Composite Document that sets out the intention of WTPIL regarding the future plan of the Privateco Group. The Privateco Board is of the view that WTPIL's future plan in respect of the Privateco Group is in the best interest of Privateco and the Privateco Shareholders as a whole.

RECOMMENDATION

As the Privateco Board does not have any non-executive directors or any independent non-executive directors, no independent committee of the Privateco Board can be formed to give a recommendation to the Independent Privateco Shareholders in connection with the Privateco Offer. In these circumstances, Somerley has been appointed to advise the Independent Privateco Shareholders as to whether the terms of the Privateco Offer are, or are not, fair and reasonable so far as the Independent Privateco Shareholders are concerned and whether the Independent Privateco Shareholders are recommended to accept the Privateco Offer.

Your attention is drawn to the letter from Somerley to the Independent Privateco Shareholders, set out on pages 18 to 31 of this Composite Document, which sets out its recommendation in relation to the Privateco Offer and the principal factors considered by it in arriving at its recommendation.

ADDITIONAL INFORMATION

Your attention is also drawn to the section headed "Expected Timetable" on page ii of this Composite Document, the accompanying Form of Acceptance and Transfer and the additional information set out in the appendices which form part of this Composite Document.

Yours faithfully,
For and on behalf of the Board of
CHERRYTIME INVESTMENTS LIMITED
Chow Wai Wai, John
Director

LETTER FROM SOMERLEY

The following is the text of a letter of advice from Somerley Limited to the Independent Privateco Shareholders, which has been prepared for the purpose of inclusion in this Composite Document.



SOMERLEY LIMITED

10th Floor
The Hong Kong Club Building
3A Chater Road
Central
Hong Kong

23 July 2012

To: the Independent Privateco Shareholders

Dear Sirs,

**VOLUNTARY UNCONDITIONAL CASH OFFER
BY STANDARD CHARTERED BANK (HONG KONG) LIMITED
ON BEHALF OF WING TAI PROPERTIES INVESTMENT LIMITED
TO ACQUIRE ALL THE ISSUED SHARES IN THE CAPITAL OF
CHERRYTIME INVESTMENTS LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY IT
OR WING TAI PROPERTIES LIMITED)**

INTRODUCTION

We refer to our appointment to advise the Independent Privateco Shareholders in connection with the Privateco Offer. Details of the Privateco Offer are contained in the Composite Document dated 23 July 2012, of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Composite Document unless the context otherwise requires.

On 9 July 2012, the resolution in respect of the Distribution In Specie and the Special Cash Dividend was duly approved at the Winsor EGM. On 16 July 2012, the same date as the Share Sale Completion, the Distribution In Specie and the payment of the Special Cash Dividend were made to the Winsor shareholders, on the basis of one Privateco Share and HK\$0.7803 in cash for every share of Winsor held. Following the completion of the Distribution In Specie, the Privateco and its subsidiaries ceased to be subsidiaries of Winsor, and the Privateco Shares became directly held by the Winsor shareholders.

As at the Latest Practicable Date, WTPIL, a wholly-owned subsidiary of Wing Tai, together with its associates and parties acting in concert with it (but excluding the Wing Tai Connected Persons to whom the Privateco Offer extends), were interested in 205,835,845 Privateco Shares, representing approximately 79.26% of the entire issued share capital of the Privateco. SCB, for and on behalf of WTPIL and pursuant to the Takeovers Code, has made the Privateco Offer, which is a voluntary unconditional cash offer to acquire all the issued Privateco Shares, other than those already owned or agreed to be acquired by WTPIL or Wing Tai.

LETTER FROM SOMERLEY

As set out in the letter from the Privateco Board in the Composite Document, since the Privateco Board does not have any non-executive directors or any independent non-executive directors, no independent committee of the Privateco Board can be formed to give a recommendation to the Independent Privateco Shareholders in connection with the Privateco Offer. In these circumstances, we have been appointed to advise the Independent Privateco Shareholders as to whether the terms of the Privateco Offer are fair and reasonable so far as the Independent Privateco Shareholders are concerned, and whether the Independent Privateco Shareholders should accept the Privateco Offer.

We are not associated with the Privateco, WTPIL, Wing Tai or any party acting, or presumed to be acting, in concert with any of them and, accordingly, are considered eligible to give independent advice on the Privateco Offer. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Privateco, WTPIL, Wing Tai or any party acting, or presumed to be acting, in concert with any of them.

In formulating our advice and recommendation, we have relied on the information and facts supplied, and the opinions expressed, by the directors of the Privateco, which we have assumed to be true, accurate and complete at the time they were made and at the date of the Composite Document. We have also assumed that all representations contained or referred to in the Composite Document are true, accurate and complete at the time they were made and at the date of the Composite Document. The Privateco Shareholders will be informed as soon as practicable if we become aware of any material change to such information. We have reviewed the financial information on the Privateco Group as set out in Appendix II to the Composite Document, the unaudited pro forma financial information of the Privateco Group as set out in Appendix III to the Composite Document, the property valuation reports of properties comprised in the Distributed Business as set out in Appendix IV to the Composite Document, and the statements about the future of the Privateco Group under the control of Wing Tai as set out in the letter from SCB in the Composite Document. We have sought and received confirmation from the Privateco Directors that no material facts have been omitted from the information supplied and opinions expressed by them. We consider that the information we have received is sufficient for us to reach our opinion and advice as set out in this letter. We have no reason to doubt the truth and accuracy of the information provided to us or to believe that any material facts have been omitted or withheld. We have not, however, conducted any independent investigation into the business and affairs of the Privateco Group, nor have we carried out any independent verification of the information supplied.

We have not considered the tax and regulatory implications on the Independent Privateco Shareholders of acceptance or non-acceptance of the Privateco Offer since these depend on their individual circumstances. In particular, Independent Privateco Shareholders who are residents overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions and, if in any doubt, should consult their own professional advisers.

LETTER FROM SOMERLEY

PRINCIPAL TERMS OF THE PRIVATECO OFFER

On 23 July 2012, SCB has made, on behalf of WTPIL and pursuant to the Takeovers Code, the Privateco Offer, which is a voluntary unconditional cash offer to acquire all the issued Privateco Shares, other than those already owned or agreed to be acquired by it or Wing Tai, on the following basis:

for each Privateco Share heldHK\$27.60 in cash
(the “Privateco Offer Price”)

As at the Latest Practicable Date, there were 259,685,288 Privateco Shares in issue. WTPIL, together with its associates and parties acting in concert with it (but excluding the Wing Tai Connected Persons to whom the Privateco Offer extends), were interested in 205,835,845 Privateco Shares. Based on the Privateco Offer Price of HK\$27.60 per Privateco Share, the 53,849,443 Privateco Shares subject to the Privateco Offer are valued at approximately HK\$1,486.2 million, and the entire issued share capital of the Privateco is valued at approximately HK\$7,167.3 million.

Mr. Chow Wai Wai, John, the Privateco Director, intends to accept the Privateco Offer in respect of all the Privateco Shares beneficially held by him. Save as disclosed above, no person had irrevocably committed to accept or reject the Privateco Offer as at the Latest Practicable Date.

As stated in the letter from SCB in the Composite Document, since no application will be made for the listing of the Privateco Shares on the Stock Exchange or any other stock exchange, it is expected that the Privateco, a company incorporated in the BVI, will continue to be unlisted.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation with regard to the Privateco Offer, we have taken into account the following principal factors and reasons:

1. Background to and reasons for the Privateco Offer

On 13 May 2012, the Share Sale Agreement was entered into between Wing Tai, Vanke Property (Hong Kong) Company Limited and Vanke Real Estate (Hong Kong) Company Limited relating to, among other things, the sale and purchase of Wing Tai’s entire interest in Winsor, the Distribution In Specie and the payment of the Special Cash Dividend, details of which are contained in the Wing Tai Circular. As one of the conditions precedent to the Share Sale Completion, the Winsor Group underwent the Group Reorganisation, whereby its businesses were separated into (i) the business of the Remaining Group, which is now held by Winsor, and (ii) the Distributed Businesses, which are now held by the Privateco.

The Share Sale Completion took place on 16 July 2012. On the same date as the Share Sale Completion, the Distribution In Specie and the payment of the Special Cash Dividend were made to the Winsor shareholders, on the basis of one Privateco Share and HK\$0.7803 in cash for every share of Winsor held. Upon completion of the Distribution In Specie, the Privateco and its subsidiaries ceased to be subsidiaries of Winsor.

LETTER FROM SOMERLEY

Following the Distribution In Specie, WTPIL, together with its associates and parties acting in concert with it (but excluding the Wing Tai Connected Persons to whom the Privateco Offer extends), has become interested in 205,835,845 Privateco Shares, representing approximately 79.26% of the entire issued share capital of the Privateco. On 23 July 2012, SCB, for and on behalf of WTPIL and pursuant to the Takeovers Code, has made the Privateco Offer. On the same date as the Privateco Offer, the Listco Offer is being made for the acquisition of the shares of Winsor by Wkland Investments, details of which are contained in the separate composite document relating to the Listco Offer dated 23 July 2012.

The Privateco Group

Following the completion of the Group Reorganisation, the Privateco Group holds the Distributed Businesses, representing all the former businesses of the Winsor Group other than the business of holding or relating to the Property, which comprises certain units and carparks in Regent Centre. The Distributed Businesses principally include (i) the rental and property management business which currently holds office properties comprising Landmark East (Kwun Tong) and W Square (Wan Chai), and industrial properties comprising Winner Godown Building (Tsuen Wan) and Shui Hing Centre (Kowloon Bay); (ii) warehousing business; (iii) investment holding; and (iv) from time to time, property development activities. According to the financial information of the Privateco Group as set out in Appendix II to the Composite Document, the revenue and the profit attributable to the Privateco Shareholders in 2011 were approximately HK\$414.8 million and HK\$2,326.1 million respectively. Excluding the effect of the change in fair value of investment properties and derivative financial instruments and gain on acquisition of an associated company of approximately HK\$1,907.5 million, the profit attributable to the Privateco Shareholders amounted to approximately HK\$418.6 million according to the Management Discussion and Analysis of the Privateco Group as contained in Appendix III to the Wing Tai Circular. The pro forma net asset value (“NAV”) of the Privateco Group was approximately HK\$9,864.9 million as at 31 December 2011 according to the unaudited pro forma financial information of the Privateco Group as set out in Appendix III of the Composite Document.

Mr. Chow Wai Wai, John and Mr. Au Hing Lun, Dennis, both being executive directors of Winsor, were appointed as the Privateco Directors, and the businesses of the Privateco Group will continue to be operated by the former management team of Winsor.

Reasons for and benefits of the Privateco Offer

As stated in the letter from SCB in the Composite Document, no application will be made for the listing of the Privateco Shares on the Stock Exchange or any other stock exchange. The Privateco, a company incorporated in the BVI, is and will continue to be an unlisted company. The Privateco may continue to be a public company under the Takeovers Code if, taking into account factors such as number of Hong Kong shareholders and the location of its business and assets, the Executive determines that the Privateco should be so regarded. The Independent Privateco Shareholders are entitled to keep the Privateco Shares, although there will be no liquid market for the trading of shares in the Privateco so that it is difficult for the Independent Privateco Shareholders to realise their

LETTER FROM SOMERLEY

holdings of the Privateco Shares except through the Privateco Offer. The Privateco Offer enables Independent Privateco Shareholders to realise their holdings of the Privateco Shares for an all-cash consideration at HK\$27.60 per Privateco Share, which represents a discount of approximately 27.6% to the pro forma NAV attributable to the Privateco Shareholders, calculated as follows:

Pro forma NAV attributable to the Privateco Shareholders as extracted from Appendix III	HK\$9,864.9 million
Upward adjustment based on valuation of investment properties of the Privateco Group as at 30 April 2012 (<i>Note</i>)	<u>HK\$ 37.0 million</u>
	HK\$9,901.9 million
 - per Privateco Share	 HK\$38.13
 Privateco Offer Price	 HK\$27.6
 Discount to pro forma NAV attributable to the Privateco Shareholders	 <u>27.6%</u>

Note: Most of the Privateco Group's assets represent investment properties, which are stated at valuation in the combined balance sheet of the Privateco Group as at 31 December 2011 in the financial information of the Privateco Group as contained in Appendix II to the Composite Document. We have, for the purpose of assessing the above discount, checked against the valuation of the Privateco Group's investment properties as at 30 April 2012 according to the valuation reports contained in Appendix IV to the Composite Document. The valuation of the Privateco Group's investment properties as at 30 April 2012 of approximately HK\$11,075.6 million was approximately HK\$37.0 million higher than their valuation as at 31 December 2011 of approximately HK\$11,038.6 million, analysed as follows:

	Page reference	Valuation HK\$'million
Properties of the Privateco Group as at 30 April 2012		
- as valued by B.I. Appraisal Limited	IV-10	7.9
- as valued by Jones Lang LaSalle Limited	IV-21	<u>11,067.7</u>
Total		(A) 11,075.6
 The Privateco Group's investment properties as at 31 December 2011 as extracted from Appendix II	 II-5	 11,027.8
Add: transfer of Units 505-510, 5/F, Tower B, Regent Centre and one car parking space located at Landmark East from the Remaining Group to the Privateco Group	VIII-4 (Wing Tai Circular)	<u>10.8</u>
Total		(B) 11,038.6
 Difference		 (A) — (B) 37.0

LETTER FROM SOMERLEY

A comparison of the above discount to the discounts of other comparable companies, which are all engaged in property investment and have a similar size to the Privateco Group, is set out detailed in the section below headed “Comparables”.

2. Limited protection for Independent Privateco Shareholders as regards their interests in the Privateco

The Privateco is a company incorporated in the BVI. A summary of the constitution of the Privateco and BVI company law is contained in Appendix V to the Composite Document. Independent Privateco Shareholders should note that the Privateco, as an unlisted company, is only governed by the Listing Rules as a subsidiary of Wing Tai, a listed company, where the interests of the shareholders of Wing Tai are being safeguarded. From the perspective of the Independent Privateco Shareholders, the Privateco is not subject to the same corporate governance and minority protection requirements as set out in the Listing Rules. In particular, protections under the Chapter 14 and Chapter 14A of the Listing Rules regarding notifiable transactions and connected transactions that currently apply to Winsor as a listed company do not apply to the Privateco so far as the minority shareholders of the Privateco are concerned. This means, for example, Wing Tai could sell properties to the Privateco for cash or agree large transactions without the need for any approval from minority shareholders of the Privateco. In relation to dilution of shareholdings, there are currently no pre-emption rights under the articles of the Privateco in relation to issues of new shares in the Privateco, in contrast to the more stringent requirements under the Listing Rules, such as the requirement of shareholders’ approval for general mandate to issue new shares, which is limited to a maximum of 20% of the issued share capital without specific shareholders’ approval and if such limit has been exceeded, specific shareholders’ approval is required. Requirements for appointing independent non-executive directors under the Listing Rules also do not apply to the Privateco.

Certain provisions under the SFO also do not apply to the Privateco. For instance, certain market misconduct provisions and the provisions concerning offences relating to dealings in securities, as provided for in Parts XIII and XIV of the SFO, do not apply in relation to the Privateco Shares. However, were the Privateco minded ever to raise additional funds by means of an allotment of new securities to the public in Hong Kong (which includes any class of the public, and may include the holders of the Privateco Shares from time to time) the provisions relating to offers of investments, as contained in Part IV of the SFO (including all potentially relevant exemptions provided for therein), would apply to the Privateco.

Following the completion of the Distribution In Specie, the Privateco has become a public company in Hong Kong and is accordingly subject to the Takeovers Code as long as it remains a public company. The Privateco may continue to be a public company under the Takeovers Code if, taking into account factors such as number of Hong Kong shareholders and the location of its business and assets, the Executive determines that the Privateco should be so regarded. In the event that the Privateco ceases to be a public company, it would no longer be subject to the Takeovers Code. In that case, the interests of the minority shareholders of the Privateco would be safeguarded primarily by the memorandum and articles of association of the Privateco and provisions regarding minority shareholders’ interest protection under the BVI Business Companies Act, which do not provide the level of minority protections that would be available had the Takeovers Code continued to apply.

LETTER FROM SOMERLEY

3. Information about the Privateco Group

The Privateco Group currently holds the Distributed Businesses, representing all the former businesses of the Winsor Group other than the business of holding or relating to certain units and carparks in the Regent Centre. The Distributed Businesses principally include (i) the rental and property management business which currently holds office properties comprising Landmark East (Kwun Tong) and W Square (Wan Chai), and industrial properties comprising Winner Godown Building (Tsuen Wan) and Shui Hing Centre (Kowloon Bay); (ii) warehousing business; (iii) investment holding; and (iv) from time to time, property development activities.

Financial information of the Privateco Group

Financial performance of the Privateco Group:

Set out below is a summary of the combined financial information of the Privateco Group for the three years ended 31 December 2011 based on the financial information of the Privateco Group as set out in Appendix II to the Composite Document and the Management Discussion and Analysis of the Privateco Group as set out in Appendix III to the Wing Tai Circular:

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'million</i>	<i>HK\$'million</i>	<i>HK\$'million</i>
Revenue	228.4	341.5	414.8
<i>Rental and property management</i>	213.9	328.2	399.0
<i>Warehousing</i>	14.5	13.3	15.8
Gross profit	140.5	265.4	320.8
<i>Increase in fair value of investment properties</i>	279.3	1,727.1	1,855.2
Profit attributable to the Privateco Shareholders	389.9	2,351.9	2,326.1
Profit attributable to the Privateco Shareholders excluding change in fair value of investment properties and derivative financial instruments and gain on acquisition of an associated company	47.5	607.8	418.6

As shown above, over 90% of the revenue of the Privateco Group is generated from its rental and property management business, which consists of a diversified property portfolio in Hong Kong from Grade A office buildings to industrial buildings.

LETTER FROM SOMERLEY

(i) Rental and property management segment

The Privateco Group recorded revenue of approximately HK\$328.2 million in 2010, demonstrating a growth of approximately 53.4% when compared to 2009. Such increase was mainly attributable to improved occupancy in Landmark East during the year. In 2011, the revenue from the rental and property management segment increased by approximately 21.6% to approximately HK\$399.0 million. Such increase in revenue was mainly due to the increase in leasing of Landmark East during the year.

(ii) Warehousing segment

The revenue in this segment decreased by approximately 8.3% from approximately HK\$14.5 million in 2009 to approximately HK\$13.3 million in 2010, which was mainly attributable to reduced storage from one of the major customers of the Privateco Group's warehouse located in Hong Kong. The increase in revenue in 2011 as compared to the prior year was mainly due to the increase in revenue from the above-mentioned major customer during the year.

The gross profit margin of the Privateco Group is directly related to the Privateco Group's rental and property management segment, which is the major revenue source of the Privateco Group. In 2010, it showed an increase from approximately 61.5% in 2009 to approximately 77.7%, which was primarily due to increased profitability in Landmark East. In 2011, the gross profit margin was maintained at around 77.3%.

A substantial part of the Privateco Group's profit comes from its increase in fair value of the Privateco Group's investment properties, which amounted to HK\$279.3 million, HK\$1,727.1 million and HK\$1,855.2 million in 2009, 2010 and 2011 respectively. The increase in fair value by approximately 5.2 times from 2009 to 2010 was mainly due to the appreciation in capital value of investment properties considering the turnaround of global economy since the first half of 2009 and the higher occupancy rate in Landmark East during 2010. The increase in fair value of investment properties in 2011 was in line with the further strengthening of the property market in Hong Kong during the year. However, this element in profit is a "non-cash" item which would not sustain, for example, cash dividends.

The profit attributable to the Privateco Shareholders excluding change in fair value of investment properties and derivative financial instruments and gain on acquisition of an associated company (the "Adjusted Privateco Profit") was approximately HK\$47.5 million in 2009, which increased to approximately HK\$607.8 million in 2010, principally due to (i) the approximately HK\$300.3 million shares of profits of associated companies (2009: losses of approximately HK\$3.1 million) and (ii) the gains on disposals of investment properties in 2010 of approximately HK\$146.5 million (2009: Nil). The Adjusted Privateco Profit dropped to approximately HK\$418.6 million in 2011 which was mainly due to the absence of the above-mentioned gains on disposal of investment properties in 2010 and reduced share of profits of associated companies to approximately HK\$151.2 million, which were partially offset by the increase in gross profit of approximately HK\$55.4 million.

LETTER FROM SOMERLEY

Major assets and liabilities of the Privateco Group:

Set out below is a breakdown of the pro forma assets and liabilities of the Privateco Group as at 31 December 2011 (on the assumption that the proposed Group Reorganisation, the Distribution In Specie and payment of the Special Cash Dividend had been completed) as extracted from Appendix III to the Composite Document:

	31/12/2011
	<i>HK\$'million</i>
Non-current assets	
Investment properties	11,038.6
Interests in associated companies	696.1
Available-for-sale financial assets	319.4
Other non-current assets	<u>115.9</u>
	12,170.0
Current assets	168.9
Current liabilities	(781.4)
Non-current liabilities	(1,690.4)
Non-controlling interest	<u>(2.2)</u>
Equity attributable to the Privateco Shareholders	9,864.9

As at 31 December 2011, pro forma total assets of the Privateco Group amounted to approximately HK\$12,338.9 million, which mainly comprised (i) investment properties of approximately HK\$11,038.6 million, representing approximately 89.5% of the total assets; (ii) interests in associated companies of approximately HK\$696.1 million. Interests in associated companies mainly represented (a) a 30% interest in a cold storage business in Mainland China, (b) a residential project in Hong Kong controlled by Wing Tai in which the Privateco Group is entitled to a 20% interest, (c) a residential project in Singapore controlled by Wing Tai Holdings Limited in which the Privateco Group is entitled to a 30% interest, (d) a 40% interest in a property located in Hong Kong where the Lanson Place Hotel is situated, and (e) a 24.8% interest in a commercial property located in Mainland China; (iii) the Privateco Group's available-for-sale financial assets of HK\$319.4 million, mainly representing real estate investment trust units listed outside Hong Kong; and (iv) bank balances and cash of approximately HK\$103.3 million which mainly consisted of short-term bank deposits.

As at 31 December 2011, pro forma total liabilities of the Privateco Group amounted to approximately HK\$2,471.8 million, mainly comprised of secured bank loans of approximately HK\$2,076.8 million.

LETTER FROM SOMERLEY

The pro forma NAV attributable to the Privateco Shareholders of approximately HK\$9,864.9 million as at 31 December 2011 is different from the NAV attributable to the Privateco Shareholders of approximately HK\$7,135.7 million on the same date as extracted from the financial information of the Privateco Group as contained in Appendix II to the Composite Document. As advised by the management of the Privateco Group, the difference of approximately HK\$2,729.2 million represented mainly the settlement of the outstanding payable by the Privateco Group to Winsor by issuing ordinary shares of certain members of the Privateco Group to Winsor pursuant to the Group Reorganisation. For the purpose of assessing the NAV of the Privateco Group as if the proposed Group Reorganisation, the Distribution In Specie and payment of the Special Cash Dividend had been completed, you should refer to the pro forma NAV of the Privateco Group of approximately HK\$9,864.9 million.

According to the indebtedness statement as contained in Appendix II to the Composite Document, the Privateco Group had total outstanding borrowings of approximately HK\$1,975.1 million as at 30 April 2012, comprising secured bank loans of approximately HK\$1,876.8 million and the fair value of derivative financial instruments liabilities of approximately HK\$98.3 million in relation to interest rate swap contracts with aggregate notional principal amount of HK\$1,000 million. This level of indebtedness seems to us prudent and sustainable compared to the pro forma NAV of the Privateco Group of approximately HK\$9,864.9 million.

Net asset value of the Privateco Group adjusted for the latest valuation:

The valuations of the investment properties held by the Privateco Group as at 30 April 2012 are set out in the valuation reports by Jones Lang Lasalle Limited and B.I. Appraisals Limited (the “Privateco Group Valuers”) contained in Appendix IV to the Composite Document. The Privateco Group Valuers have carried out inspections, made relevant enquiries and searches for the purpose of the valuation. We have reviewed and discussed with the Privateco Group Valuers the bases and assumptions adopted for the valuation of the investment properties held by the Privateco Group. According to the valuation reports of the Privateco Group Valuers, the aggregate valuation of the investment properties of the Privateco Group as at 30 April 2012 was approximately HK\$11,075.6 million, which was approximately 0.3% (or approximately HK\$37.0 million) higher than their aggregate valuation as at 31 December 2011 of approximately HK\$11,038.6 million.

As advised by the management of the Privateco Group, except for certain units in Shenzhen, the PRC, valued at HK\$3.8 million as at 30 April 2012, where no valuation was performed as at 31 December 2011 and which we considered insignificant, the valuation of investment properties of the Privateco Group held as interests in associated companies as at 30 April 2012 was the same as their valuation as at 31 December 2011. We also understand from the management of the Privateco Group that other property interests held as interests in associated companies are mainly properties for sale which are carried at cost instead of valuation. The carrying value of these properties is considered insignificant compared to the carrying value of the Privateco Group’s investment properties.

Outlook for the Privateco Group

The net profit of the Privateco Group has fluctuated in the last three financial years due to factors such as fair value changes to the investment properties. However, the revenue stream and gross profit

LETTER FROM SOMERLEY

are steadily increasing, and the Privateco Group is not highly geared. It appears, based on the above analysis and the present business model of the Privateco Group, that the Privateco Group has a sustainable business, although the future dividend stream from the Privateco, as an unlisted company, is uncertain.

4. Information about WTPIL and Wing Tai

WTPIL is a company incorporated in the BVI, and is a wholly-owned subsidiary of Wing Tai, an investment holding company, the shares of which are listed on the main board of the Stock Exchange. The principal subsidiaries of Wing Tai, including the Privateco Group, are engaged in property development, property investment and management, hospitality investment and management, garment manufacturing and investing activities.

Intention of WTPIL regarding the Privateco

Business of the Privateco Group

As disclosed in the letter from SCB in the Composite Document, it is the intention of WTPIL and Wing Tai that the Privateco Group will not make changes to its principal businesses nor conduct any business other than the Distributed Businesses. It is also the intention of WTPIL and Wing Tai that the Privateco Group will not hold any assets other than those relating to the Distributed Businesses, nor have any major assets injected, nor dispose of any major assets, after the close of the Privateco Offer. There is no plan for WTPIL or Wing Tai to redeploy any fixed assets of the Privateco Group other than in its ordinary course of business. Independent Privateco Shareholders should also note that the Privateco has not given any assurance that it will make future dividends, and that any dividends proposed by the Privateco Directors are discretionary.

Mr. Chow Wai Wai, John and Mr. Au Hing Lun, Dennis, both being executive directors of Winsor, were appointed as directors of the Privateco, and the businesses of the Privateco Group will continue to be operated by the former management team of Winsor.

Compulsory acquisition of the Privateco Shares

In the event that WTPIL holds not less than 90% of Privateco Shares in issue, and has received acceptances of the Privateco Offer during the period of 4 months after posting of this Composite Document amounting to not less than 90% of the disinterested Privateco Shares, WTPIL intends to exercise its right to direct the Privateco to redeem all the remaining Privateco Shares under the BVI Business Companies Act after the close of the Privateco Offer.

5. Comparables

The Privateco Group is principally engaged in property investment and management, warehousing and investment holding, and derives most of its revenue from its investment properties situated in Hong Kong. In order to assess the Privateco Offer Price, we have identified companies (the “Comparable Companies”) (i) which are engaged in property investment in Hong Kong with over 50% of consolidated revenue derived from such segment in the latest financial year as set out in their

LETTER FROM SOMERLEY

published annual reports, (ii) have their shares listed on the Stock Exchange, and (iii) have either their consolidated NAV attributable to equity holders or their market capitalisations within a range of 50% to two times the pro forma NAV attributable to the Privateco Shareholders of approximately HK\$9,864.9 million as extracted from Appendix III to the Composite Document or the market capitalisation of the Privateco Group of approximately HK\$7,167.3 million as implied by the Privateco Offer Price. We consider (i) the above selection criteria represent an unbiased approach to identify the Comparable Companies which are engaged in business that are similar to the Privateco Group and with sizes that are similar to the Privateco Group, and (ii) the table below represents an exhaustive list of companies with the above criteria that we were able to identify from the Stock Exchange's website. Set out below is the result of our research:

	Closing share price on the Latest Practicable Date (Note 1) HK\$	Market capitalisation as at the Latest Practicable Date (Note 1) HK\$ million	Consolidated net asset value attributable to equity holders (Note 1) HK\$ million	Discount of market capitalisation to net asset value attributable to equity holders %
Fortune Real Estate Investment Trust (stock code: 778)	5.00	8,476.7	13,227.77	(35.9)%
Associated International Hotels Ltd. (stock code: 105)	16.84	6,062.4	9,954.05	(39.1)%
Sunlight Real Estate Investment Trust (stock code: 435)	2.70	4,335.1	8,622.77	(49.7)%
Lai Sun Garment (International) Limited (stock code: 191)	0.77	1,245.4	6,968.96	(82.1)%
Melbourne Enterprises Limited (stock code: 158)	129	3,225.0	4,970.81	(35.1)%
Mean				(48.4)%
Median				(39.1)%
Maximum				(82.1)%
Minimum				(35.1)%
		(Note 2)	(Note 3)	
Privateco Offer Price	27.6	7,167.3	9,901.9	(27.6)%

Notes:

- (1) The closing share price and market capitalisation of the Comparable Companies as at the Latest Practicable Date are sourced from Bloomberg. The consolidated net asset values attributable to equity holders are extracted from the latest annual reports or interim reports of the Comparable Companies.
- (2) The figure of HK\$7,167.3 million represents the value of the Privateco as implied by the Privateco Offer Price of HK\$27.6 per Privateco Share, based on the 259,685,288 issued Privateco Shares as at the Latest Practicable Date.

LETTER FROM SOMERLEY

- (3) The pro forma NAV attributable to the Privateco Shareholders as at 31 December 2011 takes into account the upward adjustment based on valuation of the investment properties of the Privateco Group as at 30 April 2012.
- (4) To avoid duplication in our analysis, we have excluded the relevant data of Tian Teck Land Limited (stock code: 266) from the above calculation of mean, median, maximum and minimum discount to NAV, as its property investment business is principally carried out by its subsidiary, Associated International Hotels Ltd. (stock code: 105), the relevant data of which is included in the above analysis. For the similar reason, the relevant data of Wing Tai was excluded from the above analysis as majority of its property investment business is carried out by its subsidiary, the Privateco.

As shown in the table above, the discount of market capitalisation to consolidated net asset value of the Comparable Companies ranged from 35.1% to 82.1%, with mean and median discounts of approximately 48.4% and 39.1% respectively. The discount of the Privateco Offer Price to the adjusted pro forma NAV attributable to the Privateco Shareholders of approximately 27.6% is lower than the mean, median and minimum discounts to consolidated net asset value of the Comparable Companies, which we consider beneficial to the Independent Privateco Shareholders.

DISCUSSION AND ANALYSIS

To provide Independent Privateco Shareholders with an exit following the distribution of the Privateco Shares, WTPIL has made an offer for the newly distributed Privateco Shares. The Privateco has become an unlisted subsidiary of Wing Tai and it is the intention of WTPIL, a wholly-owned subsidiary of Wing Tai, that the businesses of the Privateco Group will continue to be operated by the former management team of Winsor. It is also the intention of WTPIL and Wing Tai that the Privateco Group will not make changes to its principal businesses nor conduct any business other than the Distributed Businesses.

As explained above, the level of investor protection for minority shareholders of the Privateco is substantially less than that enjoyed by the Winsor shareholders, particularly as regards connected transactions and dilution by issues of new shares. In addition, no dividend policy for the Privateco has been disclosed and the Privateco Shares have very limited liquidity.

In particular, we wish to highlight the position of any Independent Privateco Shareholders who fail to accept the Privateco Offer. The Independent Privateco Shareholders may have grown accustomed to holding listed shares from their experience in holding the shares of Winsor, which pay regular dividends. However, following the completion of the Distribution In Specie, the great majority of their investment has been converted into unlisted shares which may not pay dividends. If they do not accept the Privateco Offer, they may have to hold the Privateco Shares indefinitely.

WTPIL has stated that it will exercise its right of compulsory acquisition of the Privateco minorities provided it reaches the required threshold of shareholding and acceptance of the Privateco Offer, which we consider not an unreasonable expectation given the attractive level of cash consideration available under the Privateco Offer and the drawbacks for the Independent Privateco Shareholders of retaining the Privateco Shares.

In view of the above factors and bearing in mind that discount of the Privateco Offer Price to NAV of approximately 27.6% is considerably less than those of the Comparable Companies, we

LETTER FROM SOMERLEY

consider the terms of the Privateco Offer, including the Privateco Offer Price of HK\$27.6 per Privateco Share, are fair and reasonable so far as the Independent Privateco Shareholders are concerned.

OPINION AND RECOMMENDATION

Based on the above principal factors and reasons, we consider the terms of the Privateco Offer to be fair and reasonable so far as the Independent Privateco Shareholders are concerned. Accordingly, we recommend that the Independent Privateco Shareholders should accept the Privateco Offer. Independent Privateco Shareholders should note that the last day for acceptance of the Privateco Offer is 13 August 2012. The Privateco Offer is unconditional and the closing date of 13 August 2012 may not be extended. Independent Privateco Shareholders should therefore take urgent action to accept the Privateco Offer.

Yours faithfully,
for and on behalf of
SOMERLEY LIMITED
M. N. Sabine
Chairman

1. PROCEDURES FOR ACCEPTANCE

Your registered holding of the Privateco Shares is set out in Box B in the accompanying Form of Acceptance and Transfer. To accept the Privateco Offer, you should duly complete the Form of Acceptance and Transfer in accordance with the instructions printed thereon, which instructions form part of the terms and conditions of the Privateco Offer.

The completed and signed Form of Acceptance and Transfer should then be forwarded by post or by hand to and reach the Transfer Agent (Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) marked "Cherrytime Investments Limited Offer" on the envelope by no later than 4:00 p.m. on Monday, 13 August 2012 (the "Closing Date"). If you have made a written request for a share certificate in respect of the Privateco Shares held by you to the Transfer Agent prior to the Closing Date, then in order to accept the Privateco Offer, the share certificate(s) in respect of your Privateco Shares must be submitted to the Transfer Agent together with your completed and signed Form of Acceptance and Transfer.

If your Privateco Shares are held through your licensed securities dealer/registered institution in securities/custodian bank through CCASS, you must instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC Nominees Limited to accept the Privateco Offer on your behalf on or before the deadline set out by HKSCC Nominees Limited. In order to meet such deadline, you should check with your licensed securities dealer/registered institution in securities/custodian bank on the timing for the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them.

If your Privateco Shares are held through your Investor Participant Account maintained with CCASS, you must authorise your instruction via the CCASS Phone System or the CCASS Internet System on or before the deadline set out by HKSCC Nominees Limited.

No acknowledgement of receipt of any Form of Acceptance and Transfer will be given. Your attention is also drawn to the further details regarding the procedures for acceptance set out in the Form of Acceptance and Transfer.

2. SETTLEMENT

Provided that a valid Form of Acceptance and Transfer is complete and in good order in all respects and has been received by the Transfer Agent by no later than 4:00 p.m. on the Closing Date, a cheque for the amount representing the cash consideration due to you in respect of the Privateco Shares tendered by you under the Privateco Offer will be despatched to you by ordinary post at your own risk as soon as possible but in any event within seven business days of the date on which the duly completed Form of Acceptance and Transfer which renders such acceptance complete and valid is received by the Transfer Agent.

Cheque(s) not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and be of no further effect, and in such circumstances cheque holder(s) should contact WTPIL for payment.

Settlement of the consideration to which any Privateco Shareholder is entitled under the Privateco Offer will be implemented in full in accordance with the terms of the Privateco Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which WPTIL may otherwise be, or claim to be, entitled against such Privateco Shareholder.

3. NOMINEE REGISTRATION

To ensure equality of treatment of all Independent Privateco Shareholders, those Independent Privateco Shareholders who hold Privateco Shares as nominee for more than one beneficial owner are reminded to, as far as practicable, treat the holding of each beneficial owner separately. Beneficial owners of the Privateco Shares whose investments are registered in the names of the nominees should note that it is essential for them to provide instructions to their nominees of their intentions with regard to the Privateco Offer.

All documents and remittances sent by or to the Independent Privateco Shareholders by ordinary post will be sent by or to them at their own risk. Such documents and remittances will be sent to the Independent Privateco Shareholders at their respective addresses as they appear in the register of members of Privateco or in the case of joint Privateco Shareholders, to the Privateco Shareholder whose name first appears in the register of members of Privateco. None of Privateco, WTPIL, Wing Tai or SCB nor any of their respective directors, agents, advisers or any other parties involved in the Privateco Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

4. ACCEPTANCE PERIOD, EXTENSIONS AND REVISIONS

Unless the Privateco Offer has previously been revised or extended with the consent of the Executive, all Forms of Acceptance and Transfer must be received by the Transfer Agent by 4:00 p.m. on the Closing Date in accordance with the instructions printed thereon.

If the Privateco Offer is extended or revised, an announcement of such extension or revision will be published by WTPIL on the Stock Exchange's website under Wing Tai Properties Limited and the SFC's website by 7:00 p.m. on the Closing Date which will state either the next closing date or that the Privateco Offer will remain open until further notice. In the latter case, the Privateco Offer will remain open for acceptance for a period of not less than 14 days from the posting of the written notification of the extension or revision to those Independent Privateco Shareholders who have not accepted the Privateco Offer and, unless previously extended or revised, shall be closed on the subsequent closing date. The latest time for acceptance of the Privateco Offer will be at 4:00 p.m. on the Closing Date. The benefit of any revision of the Privateco Offer will also be available to all Privateco Shareholders who have previously accepted the Privateco Offer. The execution of any Form of Acceptance and Transfer by or on behalf of any Privateco Shareholders who have previously accepted the Privateco Offer shall be deemed to constitute acceptance of any revised Privateco Offer.

If the Closing Date is revised or extended, any reference in this Composite Document and in the Form(s) of Acceptance and Transfer to the "Closing Date" shall, except where the context otherwise requires, be deemed to refer to the Closing Date of the Privateco Offer as so revised or extended.

5. ANNOUNCEMENTS

As required by Rule 19 of the Takeovers Code, by 6:00 p.m. (or such later time and/or date as the Executive may in exceptional circumstances permit) on the Closing Date, WTPIL must inform the Executive of its intention in relation to the revision, extension or expiry of the Privateco Offer. WTPIL shall publish an announcement on the Stock Exchange's website under Wing Tai Properties Limited and the SFC's website by 7:00 p.m. on the Closing Date stating whether the Privateco Offer has been revised, extended or expired. Such announcement shall state the total number of Privateco Shares and rights over Privateco Shares:

- (i) for which acceptances of the Privateco Offer have been received;
- (ii) held, controlled or directed by WTPIL, Wing Tai and parties acting in concert with any of them before 14 May 2012 (being the commencement date of the offer period as defined in the Takeovers Code for the Privateco Offer); and
- (iii) acquired or agreed to be acquired during the offer period (as defined in the Takeovers Code) for the Privateco Offer by WTPIL, Wing Tai and parties acting in concert with any of them.

The announcement must include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in Privateco which WTPIL or any person acting in concert with it has borrowed or lent, save for any borrowed Privateco Shares which have been either on-lent or sold.

The announcement must also specify the percentages of the issued share capital of Privateco, and the percentages of voting rights, represented by the above number of Privateco Shares.

In computing the number of Privateco Shares in accordance with the Takeovers Code represented by acceptances, only valid acceptances that are complete and in good order and which have been received by the Transfer Agent by no later than 4:00 p.m. on the Closing Date shall be included.

As required under the Takeovers Code, all announcements in relation to the Privateco Offer in respect of which the Executive has confirmed that he has no further comments thereon must be published as a paid announcement in at least one English language newspaper and one Chinese language newspaper, being in each case a newspaper which is published daily and circulating generally in Hong Kong. All documents published in respect of Privateco will be delivered to the Executive in electronic form for publication on the SFC's website.

6. RIGHT OF WITHDRAWAL

Acceptance of the Privateco Offer tendered by the Independent Privateco Shareholders or by their agent(s) on their behalf shall be irrevocable and cannot be withdrawn except in the circumstances set out below in this paragraph 6.

If WTPIL is unable to comply with the requirements set out in the paragraph headed "Announcements" above, the Executive may require that the Independent Privateco Shareholders who have tendered acceptances of the Privateco Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

7. OVERSEAS SHAREHOLDERS

The Privateco Offer will be in respect of securities of a company incorporated in the BVI and will be subject to the procedures and disclosure requirements under the relevant Hong Kong laws and regulations, which may be different from other jurisdictions. The making of the Privateco Offer or the acceptance thereof by persons not being a resident of Hong Kong or with a registered address in jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. Independent Privateco Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong should inform themselves about, and observe, any applicable legal and regulatory requirements in their own jurisdictions.

It is the responsibility of any such persons who wish to accept the Privateco Offer to satisfy themselves as to the full observance of all applicable legal and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction. Any acceptance by any such person will be deemed to constitute a representation and warranty from such person to WTPIL that he/she is permitted under all applicable laws and regulations to receive and accept the Privateco Offer, and any revision thereof, and that, such acceptance shall be valid and binding in accordance with applicable laws. Independent Privateco Shareholders should consult their professional adviser if in doubt.

8. GENERAL

- (i) All communications, notices, Forms of Acceptance and Transfer and remittances to settle the consideration payable under the Privateco Offer to be delivered by or sent to or from the accepting Independent Privateco Shareholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk, and none of WTPIL, Wing Tai, Privateco, SCB, any of their respective directors, agents, advisers or other parties involved in the Privateco Offer accepts any liability for any loss or delay in postage or any other liabilities that may arise as a result thereof.
- (ii) The provisions set out in the Form of Acceptance and Transfer form part of the terms of the Privateco Offer.
- (iii) The accidental omission to despatch this Composite Document and/or the Form of Acceptance and Transfer or any of them to any person to whom the Privateco Offer is made will not invalidate the Privateco Offer in any way.
- (iv) The Privateco Offer and all acceptances thereof will be governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance and Transfer by or on behalf of an Independent Privateco Shareholder will constitute such shareholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the Privateco Offer.

- (v) References to the Privateco Offer in this Composite Document and in the Form of Acceptance and Transfer shall include any revision or extension thereof.
- (vi) Acceptance of the Privateco Offer by any person will be deemed to constitute a warranty by such person to WTPIL, Privateco and SCB that the Privateco Shares sold under the Privateco Offer are sold by such person free from all rights of pre-emption, options, liens, claims, equities, charges, encumbrances and third party rights of any nature and the relevant Privateco Shares are sold with all rights attaching or accruing thereto, including the right to receive all dividends and distributions declared, paid or made on or after the date of the issue of those Privateco Shares.
- (vii) Due execution of the Form of Acceptance and Transfer will constitute an irrevocable authority to any director of WTPIL or SCB or such person or persons as any of them may direct to complete and execute any document on behalf of the person accepting the Privateco Offer and to do any other act that may be necessary or expedient for the purpose of vesting in WTPIL, or such other person(s) as it may direct, all rights of the accepting Independent Privateco Shareholders in respect of the Privateco Shares which are the subject of such acceptance.
- (viii) Acceptance to the Privateco Offer by any nominee will be deemed to constitute a warranty by such nominee to WPTIL that the number of Privateco Shares in respect of which it is indicated in the Form of Acceptance and Transfer is the aggregate number of Privateco Shares held by such nominee for such beneficial owners who are accepting the Privateco Offer.
- (ix) The English text of this Composite Document and the Form of Acceptance and Transfer shall prevail over their Chinese text for the purpose of interpretation.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

1. FINANCIAL SUMMARY OF THE PRIVATECO GROUP

Set out below is a financial summary of the Privateco Group for the three financial years ended 31 December 2011 as extracted from the accountant's report contained in Appendix II to the Wing Tai Circular:

Results

	31/12/2009	Year ended 31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Revenue	<u>228,405</u>	<u>341,459</u>	<u>414,824</u>
Profit before taxation	412,505	2,368,244	2,359,681
Taxation charge	<u>(22,257)</u>	<u>(16,297)</u>	<u>(32,954)</u>
Profit for the year	<u>390,248</u>	<u>2,351,947</u>	<u>2,326,727</u>
Profit for the year attributable to shareholder of the Privateco	<u>389,869</u>	<u>2,351,875</u>	<u>2,326,073</u>
Dividends	<u>80,000</u>	<u>296,000</u>	<u>305,000</u>
Basic and diluted earnings per share (HK\$) <i>Note (i)</i>	<u>1.50</u>	<u>9.06</u>	<u>8.96</u>
Dividend per Privateco Share (HK\$) <i>Note (ii)</i>	<u>0.31</u>	<u>1.14</u>	<u>1.17</u>

Note:

- (i) Basic and diluted earnings per share is calculated by dividing the profit attributable to Privateco Shareholders for the year by 259,685,288 Privateco Shares in issue, assuming all the Privateco Shares had been in issue throughout the reporting period.
- (ii) Dividend per Privateco Share is calculated based on the dividends paid to Privateco Shareholders for the year and assuming 259,685,288 Privateco Shares had been in issue throughout the reporting period.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Assets and Liabilities

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Non-current assets	9,165,275	10,542,980	12,159,286
Current assets	426,624	849,747	894,044
Current liabilities	(681,454)	(477,390)	(811,436)
Non-current liabilities	<u>(5,802,335)</u>	<u>(5,628,313)</u>	<u>(5,103,995)</u>
Net assets	<u>3,108,110</u>	<u>5,287,024</u>	<u>7,137,899</u>
Equity attributable to shareholder of the Privateco	3,106,413	5,285,570	7,135,682
Non-controlling interests	<u>1,697</u>	<u>1,454</u>	<u>2,217</u>
Total equity	<u>3,108,110</u>	<u>5,287,024</u>	<u>7,137,899</u>

The Privateco Group had no exceptional items in respect of size, nature or incidence for each of the years ended 31 December 2009, 2010 and 2011 in accordance with Hong Kong Financial Reporting Standards.

2. AUDITED FINANCIAL INFORMATION

The following is the text of the audited combined financial information of the Privateco Group for the years ended 31 December 2009, 2010 and 2011, including the financial information and explanatory notes as extracted from the accountant's report of the Privateco Group contained in Appendix II to the Wing Tai Circular. Capitalised terms used in this section shall have the same meaning as those defined in the Wing Tai Circular.

For each of the years ended 31 December 2009, 2010 and 2011, the auditors of the Privateco Group did not issue a qualified opinion on the combined financial information of the Privateco Group.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

“I FINANCIAL INFORMATION OF THE PRIVATECO GROUP

The following is the financial information of the Privateco Group prepared by the directors of Winsor as at 31 December 2009, 2010 and 2011 and for each of the years ended 31 December 2009, 2010 and 2011 (the “Financial Information”):

COMBINED INCOME STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2009, 2010 AND 2011

		Year ended		
	Note	31/12/2009	31/12/2010	31/12/2011
		HK\$'000	HK\$'000	HK\$'000
Revenue	5	228,405	341,459	414,824
Cost of sales		<u>(87,869)</u>	<u>(76,033)</u>	<u>(94,062)</u>
Gross profit		140,536	265,426	320,762
Other income	5	39,589	35,563	45,755
Leasing and marketing expenses		(13,167)	(19,183)	(8,768)
Administrative expenses		(38,215)	(39,398)	(42,420)
Increase in fair value of investment properties	15	279,300	1,727,118	1,855,219
Gains on disposals of investment properties		—	146,462	—
Other gains, net		<u>71,285</u>	<u>25,167</u>	<u>35,242</u>
Operating profit	6	479,328	2,141,155	2,205,790
Finance income	7	45	406	5,671
Finance costs	7	<u>(63,770)</u>	<u>(73,605)</u>	<u>(72,388)</u>
		415,603	2,067,956	2,139,073
Share of profits less losses of associated companies	9	(3,098)	300,288	151,221
Gain on bargain purchase	10	<u>—</u>	<u>—</u>	<u>69,387</u>
Profit before taxation		412,505	2,368,244	2,359,681
Taxation charge	11	<u>(22,257)</u>	<u>(16,297)</u>	<u>(32,954)</u>
Profit for the year		<u>390,248</u>	<u>2,351,947</u>	<u>2,326,727</u>
Attributable to:				
Shareholder of the Privateco		389,869	2,351,875	2,326,073
Non-controlling interests		<u>379</u>	<u>72</u>	<u>654</u>
		<u>390,248</u>	<u>2,351,947</u>	<u>2,326,727</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

COMBINED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2009, 2010 AND 2011

		Year ended		
	Note	31/12/2009	31/12/2010	31/12/2011
		HK\$'000	HK\$'000	HK\$'000
Profit for the year		390,248	2,351,947	2,326,727
		-----	-----	-----
Other comprehensive (loss)/income				
Exchange translation differences	29	(138)	59,895	(5,627)
Exchange differences released upon repayment of loans from an associated company	29	—	—	(44,122)
Fair value gains/(losses) on available-for-sale financial assets	29	144,519	82,749	(128,185)
Cash flow hedges				
— Fair value losses	29	(56,621)	(63,789)	(33,326)
— Realised upon settlement	29	39,686	44,427	44,105
Share of hedging reserve of an associated company	29	—	—	(3,174)
		-----	-----	-----
Other comprehensive income/(loss) for the year, net of tax		127,446	123,282	(170,329)
		-----	-----	-----
Total comprehensive income for the year		517,694	2,475,229	2,156,398
		=====	=====	=====
Attributable to:				
Shareholder of the Privateco		517,315	2,475,157	2,155,744
Non-controlling interests		379	72	654
		-----	-----	-----
		517,694	2,475,229	2,156,398
		=====	=====	=====

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

COMBINED BALANCE SHEETS

AT 31 DECEMBER 2009, 2010 AND 2011

	Note	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Non-current assets				
Property, plant and equipment	14	8,456	11,238	8,930
Investment properties	15	8,239,830	9,177,830	11,027,830
Interests in associated companies	16	180,969	500,676	696,144
Amounts and loans receivable from associated companies	16	350,338	357,525	39,369
Available-for-sale financial assets	17	350,182	431,094	319,402
Held-to-maturity investments	18	30,997	37,877	65,835
Deferred tax assets	27	4,503	10,740	1,597
Derivative financial instruments	23	—	16,000	179
		9,165,275	10,542,980	12,159,286
Current assets				
Inventories	19	—	58	362
Trade and other receivables	20	39,769	42,028	35,561
Amounts receivable from Remaining Group Entities	26	215,250	373,738	181,942
Held-to-maturity investments	18	—	—	29,252
Tax recoverable		—	—	435
Cash and cash equivalents	21	171,605	433,923	646,492
		426,624	849,747	894,044
Current liabilities				
Trade and other payables and accruals	22	292,862	269,537	196,642
Short-term bank loans, secured	24	322,250	126,250	546,682
Derivative financial instruments	23	40,821	42,865	42,130
Tax payable		25,521	38,738	25,982
		681,454	477,390	811,436
Net current (liabilities)/assets		<u>(254,830)</u>	<u>372,357</u>	<u>82,608</u>
Total assets less current liabilities		<u>8,910,445</u>	<u>10,915,337</u>	<u>12,241,894</u>
Non-current liabilities				
Long-term bank loans, secured	25	2,180,250	1,835,600	1,560,100
Amounts payable to Winsor	26	3,372,078	3,526,941	3,413,622
Amounts and loans payable to associated companies	16	166,789	166,789	23,552
Derivative financial instruments	23	55,262	71,621	62,942
Deferred tax liabilities	27	27,956	27,362	43,779
		5,802,335	5,628,313	5,103,995
Net assets		<u>3,108,110</u>	<u>5,287,024</u>	<u>7,137,899</u>
Combined capital	28	1	1	1
Reserves	29	3,106,412	5,285,569	7,135,681
Equity attributable to shareholder of the Privateco		3,106,413	5,285,570	7,135,682
Non-controlling interests		<u>1,697</u>	<u>1,454</u>	<u>2,217</u>
Total equity		<u>3,108,110</u>	<u>5,287,024</u>	<u>7,137,899</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

COMBINED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2009, 2010 AND 2011

	Note	Equity attributable to the shareholder of the Privateco				Non- controlling interests HK\$'000	Total equity HK\$'000
		Combined capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000		
At 1 January 2009		<u>1</u>	<u>(1,763,028)</u>	<u>4,432,125</u>	<u>2,669,098</u>	<u>1,543</u>	<u>2,670,641</u>
Comprehensive income							
Profit for the year		<u>—</u>	<u>—</u>	<u>389,869</u>	<u>389,869</u>	<u>379</u>	<u>390,248</u>
Other comprehensive (loss)/income	29						
Exchange translation differences		<u>—</u>	<u>(138)</u>	<u>—</u>	<u>(138)</u>	<u>—</u>	<u>(138)</u>
Fair value gains on available-for-sale financial assets		<u>—</u>	<u>144,519</u>	<u>—</u>	<u>144,519</u>	<u>—</u>	<u>144,519</u>
Fair value losses on cash flow hedges		<u>—</u>	<u>(56,621)</u>	<u>—</u>	<u>(56,621)</u>	<u>—</u>	<u>(56,621)</u>
Realised upon settlement of interest rate swap contracts		<u>—</u>	<u>39,686</u>	<u>—</u>	<u>39,686</u>	<u>—</u>	<u>39,686</u>
Total other comprehensive income		<u>—</u>	<u>127,446</u>	<u>—</u>	<u>127,446</u>	<u>—</u>	<u>127,446</u>
Total comprehensive income		<u>—</u>	<u>127,446</u>	<u>389,869</u>	<u>517,315</u>	<u>379</u>	<u>517,694</u>
Transactions with owners							
Dividends paid to non-controlling shareholders		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(225)</u>	<u>(225)</u>
Dividends paid	12	<u>—</u>	<u>—</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>—</u>	<u>(80,000)</u>
Total transactions with owners		<u>—</u>	<u>—</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>(225)</u>	<u>(80,225)</u>
At 31 December 2009		<u><u>1</u></u>	<u><u>(1,635,582)</u></u>	<u><u>4,741,994</u></u>	<u><u>3,106,413</u></u>	<u><u>1,697</u></u>	<u><u>3,108,110</u></u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

		Equity attributable to the shareholder of the Privateco				Non- controlling interests	Total equity
	Note	Combined capital HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Total HK\$'000		
At 1 January 2010		<u>1</u>	<u>(1,635,582)</u>	<u>4,741,994</u>	<u>3,106,413</u>	<u>1,697</u>	<u>3,108,110</u>
Comprehensive income							
Profit for the year		<u>—</u>	<u>—</u>	<u>2,351,875</u>	<u>2,351,875</u>	<u>72</u>	<u>2,351,947</u>
Other comprehensive income/(loss)	29						
Exchange translation differences		<u>—</u>	<u>59,895</u>	<u>—</u>	<u>59,895</u>	<u>—</u>	<u>59,895</u>
Fair value gains on available-for-sale financial assets		<u>—</u>	<u>82,749</u>	<u>—</u>	<u>82,749</u>	<u>—</u>	<u>82,749</u>
Fair value losses on cash flow hedges Realised upon settlement of interest rate swap contracts		<u>—</u>	<u>(63,789)</u>	<u>—</u>	<u>(63,789)</u>	<u>—</u>	<u>(63,789)</u>
		<u>—</u>	<u>44,427</u>	<u>—</u>	<u>44,427</u>	<u>—</u>	<u>44,427</u>
Total other comprehensive income		<u>—</u>	<u>123,282</u>	<u>—</u>	<u>123,282</u>	<u>—</u>	<u>123,282</u>
Total comprehensive income		<u>—</u>	<u>123,282</u>	<u>2,351,875</u>	<u>2,475,157</u>	<u>72</u>	<u>2,475,229</u>
Transactions with owners							
Dividends paid to non-controlling shareholders		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(315)</u>	<u>(315)</u>
Dividends paid	12	<u>—</u>	<u>—</u>	<u>(296,000)</u>	<u>(296,000)</u>	<u>—</u>	<u>(296,000)</u>
Total transactions with owners		<u>—</u>	<u>—</u>	<u>(296,000)</u>	<u>(296,000)</u>	<u>(315)</u>	<u>(296,315)</u>
At 31 December 2010		<u>1</u>	<u>(1,512,300)</u>	<u>6,797,869</u>	<u>5,285,570</u>	<u>1,454</u>	<u>5,287,024</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

		Equity attributable to the shareholder of the Privateco					
Note		Combined capital	Other reserves	Retained earnings	Total	Non- controlling interests	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	At 1 January 2011	<u>1</u>	<u>(1,512,300)</u>	<u>6,797,869</u>	<u>5,285,570</u>	<u>1,454</u>	<u>5,287,024</u>
	Comprehensive income						
	Profit for the year	<u>—</u>	<u>—</u>	<u>2,326,073</u>	<u>2,326,073</u>	<u>654</u>	<u>2,326,727</u>
	Other comprehensive (loss)/income	29					
	Exchange translation differences	<u>—</u>	<u>(5,627)</u>	<u>—</u>	<u>(5,627)</u>	<u>—</u>	<u>(5,627)</u>
	Exchange differences released upon repayment of loans from an associated company	<u>—</u>	<u>(44,122)</u>	<u>—</u>	<u>(44,122)</u>	<u>—</u>	<u>(44,122)</u>
	Fair value losses on available-for-sale financial assets	<u>—</u>	<u>(128,185)</u>	<u>—</u>	<u>(128,185)</u>	<u>—</u>	<u>(128,185)</u>
	Fair value losses on cash flow hedges	<u>—</u>	<u>(33,326)</u>	<u>—</u>	<u>(33,326)</u>	<u>—</u>	<u>(33,326)</u>
	Realised upon settlement of interest rate swap contracts	<u>—</u>	<u>44,105</u>	<u>—</u>	<u>44,105</u>	<u>—</u>	<u>44,105</u>
	Share of hedging reserve of an associated company	<u>—</u>	<u>(3,174)</u>	<u>—</u>	<u>(3,174)</u>	<u>—</u>	<u>(3,174)</u>
	Total other comprehensive loss	<u>—</u>	<u>(170,329)</u>	<u>—</u>	<u>(170,329)</u>	<u>—</u>	<u>(170,329)</u>
	Total comprehensive (loss)/income	<u>—</u>	<u>(170,329)</u>	<u>2,326,073</u>	<u>2,155,744</u>	<u>654</u>	<u>2,156,398</u>
	Transactions with owners						
	Partial disposal of interest in a subsidiary	<u>—</u>	<u>(632)</u>	<u>—</u>	<u>(632)</u>	<u>632</u>	<u>—</u>
	Dividends paid to non-controlling shareholders	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(523)</u>	<u>(523)</u>
	Dividends paid	12	<u>—</u>	<u>(305,000)</u>	<u>(305,000)</u>	<u>—</u>	<u>(305,000)</u>
	Total transactions with owners	<u>—</u>	<u>(632)</u>	<u>(305,000)</u>	<u>(305,632)</u>	<u>109</u>	<u>(305,523)</u>
	At 31 December 2011	<u>1</u>	<u>(1,683,261)</u>	<u>8,818,942</u>	<u>7,135,682</u>	<u>2,217</u>	<u>7,137,899</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

COMBINED CASH FLOW STATEMENTS

FOR THE YEARS ENDED 31 DECEMBER 2009, 2010 AND 2011

	Note	Year ended 31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Operating activities				
Net cash from operations	34(a)	30,261	28,139	414,434
Interest paid		(63,588)	(73,405)	(72,219)
Hong Kong profits tax paid		(38,590)	(9,688)	(19,778)
Overseas tax paid		(87)	(223)	(288)
Net cash (used in)/from operating activities		(72,004)	(55,177)	322,149
Investing activities				
Purchase of property, plant and equipment		(8,226)	(5,594)	(286)
Additions to investment properties		(58,508)	(4,882)	(5,713)
Proceeds from disposals of investment properties		100	940,462	—
Proceeds from disposals of property, plant and equipment		9	468	3
Proceeds from disposal of available-for-sale financial assets		12,945	—	—
Income received from held-to-maturity investments		500	500	1,117
Bank interest received		97	363	4,458
Dividends received from available-for-sale financial assets		27,186	23,776	18,989
Loan contributions to an associated company		(26,000)	(2,800)	—
Amounts repaid by associated companies		386	47,944	325,408
Amounts advanced by associated companies		—	—	21,103
Dividends received from associated companies		3,096	—	76,243
Acquisitions of available-for-sale financial assets		(10)	—	—
Acquisitions of held-to-maturity investments		—	—	(48,825)
Acquisition of interests in an associated company		—	—	(229,097)
Amount advanced by an investee company		10,865	1,837	111
Net cash (used in)/from investing activities		(37,560)	1,002,074	163,511
Financing activities				
New long-term bank loans		460,739	225,000	—
New short-term bank loans		321,000	385,000	513,825
Repayment of long-term bank loans		(58,400)	(540,650)	(133,750)
Repayment of short-term bank loans		(496,778)	(610,000)	(235,000)
Amounts repaid to Winsor		(117,895)	(141,137)	(418,319)
Dividends paid to non-controlling shareholders		(225)	(315)	(523)
Net cash from/(used in) financing activities		108,441	(682,102)	(273,767)
Net (decrease)/increase in cash and cash equivalents		(1,123)	264,795	211,893
Cash and cash equivalents at beginning of the year		175,117	171,605	433,923
Effect of foreign exchange rate changes		(2,389)	(2,477)	676
Cash and cash equivalents at end of the year		171,605	433,923	646,492
Analysis of cash and cash equivalents				
Bank balances and cash		171,605	433,923	646,492

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

II NOTES TO THE FINANCIAL INFORMATION

1 GENERAL INFORMATION, GROUP REORGANISATION AND BASIS OF PRESENTATION

(a) General information

Cherrytime Investments Limited (the “Privateco”) is a limited liability company incorporated in the British Virgin Islands (“BVI”) on 29 May 2012 and is wholly owned by Winsor Properties Holdings Limited (“Winsor”). The registered office of the Privateco is Kingston Chambers, PO Box 173, Road Town, Tortola, BVI and the address of its principal office in Hong Kong is 8th Floor, AXA Tower, Landmark East, Kwun Tong, Kowloon, Hong Kong.

The Privateco and its subsidiaries and associated companies are collectively referred to as the “Privateco Group”. The Privateco’s principal activity is investment holding. The principal activities of the companies which now comprise the Privateco Group are property investment and management, warehousing and investment holding (the “Distributed Business”).

The board of directors of the Privateco considers that the Privateco’s ultimate holding company is Wing Tai Properties Limited (“Wing Tai”), a company incorporated in Bermuda with limited liability, the shares of which are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

(b) Group Reorganisation

For the purpose of distribution in specie of the Privateco Group by Winsor, the Winsor Group underwent the reorganisation (the “Group Reorganisation”). The Privateco is incorporated and the Distributed Businesses are transferred to the Privateco. The Distributed Businesses are primarily carried out by Dragon Eye Holding Ltd., Winsor Properties (China) Limited, Winsor Properties (Hong Kong) Limited, Winsor Properties (Overseas) Limited and Winsor Properties Finance Limited and their subsidiaries and associates companies. Details of the Group Reorganisation are as follows:

- On 19 April 2012, Future Best Developments Limited (the “Remaining Holdco”) was incorporated in the BVI with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1 each, with 1 share issued and allotted to Winsor at par.
- On 29 May 2012, Cherrytime Investments Limited (the “Privateco”) was incorporated in the BVI with an authorised share capital of HK\$3,000,000 divided into 300,000,000 shares of HK\$0.01 each, with 1 share issued and allotted to Winsor at par.
- On 15 June 2012, Winsor Properties (China) Limited, Winsor Properties (Hong Kong) Limited and Winsor Properties (Overseas) Limited issued new shares in favour of Winsor as consideration for acquiring the inter-company receivables of HK\$2,663,973,000 due by Winsor Properties Finance Limited to Winsor.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- On 18 June 2012, Winsor transferred all its equity interests in Dragon Eye Holding Ltd., Winsor Properties (China) Limited, Winsor Properties (Hong Kong) Limited and Winsor Properties (Overseas) Limited and Winsor Properties Finance Limited which, together with their respective subsidiaries and associated companies, are principally engaged in property development, investment and management, warehousing and investment holding (collectively, known as “Distributed Businesses”) to the Privateco at a consideration of HK\$2,893,072,000, which represented the carrying amount of Winsor’s investment in these subsidiaries and associated companies. The Privateco and the Distributed Businesses are known as the “Privateco Group”.
- On 18 June 2012, Winsor Properties (Hong Kong) Limited transferred all its equity interests in Access Rich Limited, Winsor Parking Limited and Winsor Properties Financial Services Limited (“WPFSL”) which, together with Chericourt Company Limited, a wholly-owned subsidiary of WPFSL, are principally engaged in dissimilar business to the Distributed Businesses (collectively, known as the “Retained Businesses”) to the Remaining Holdco at a consideration of HK\$20,117,000, which represented the carrying amount of Winsor Properties (Hong Kong) Limited’s investment in these subsidiaries. Winsor, the Remaining Holdco and the Retained Businesses are known as the “Remaining Group”.

As at the date of this report, the above reorganisation steps have been completed. The legal structure of the Privateco Group is formed and the Distributed Businesses are transferred to the Privateco. For the purpose of the Group Reorganisation, the directors of Winsor have prepared the Financial Information of the Privateco Group for the years ended 31 December 2009, 2010 and 2011 (the “Relevant Periods”) in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The Financial Information is presented in thousands of Hong Kong dollars, unless otherwise stated, which is also the functional currency and presentation currency of the Privateco Group.

(c) Basis of presentation

For the purpose of this report, the combined financial statements of the Privateco Group have been prepared on the basis as if the Group Reorganisation had been completed and in accordance with the principles of the Auditing Guideline 3.340 “Prospectus and the Reporting Accountant” issued by the HKICPA. The combined income statements, combined statements of comprehensive income, combined statements of changes in equity and combined cash flow statements of the Privateco Group for each of the years ended 31 December 2009, 2010 and 2011 have been prepared using the financial information of the companies engaged in the Distributed Businesses, under the common control of the Privateco or and now comprising the Privateco Group as if the current group structure had been in existence throughout each of the years ended 31 December 2009, 2010 and 2011, or since the respective dates of incorporation/establishment of the combining companies, or since the date when the combining companies first came under the control of the Privateco, whichever is a shorter period. The combined balance sheets of the Privateco Group as at 31 December 2009, 2010 and 2011 have been prepared to present the assets and liabilities of the companies now comprising the Privateco Group at these dates, as if the current group structure had been in existence as at these dates. The net assets and results of the Privateco Group were combined using the existing book values from the Privateco’s perspective.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The Financial Information includes the assets, liabilities and results of operations of the entities that were historically associated with the Distributed Businesses. The assets, liabilities and results of operations relating to Units 505-510, 5/F, Tower B of Regent Centre and a car parking space in Landmark East, under the common control of the Privateco during each of the years ended 31 December 2009, 2010 and 2011 have not been included.

The Financial Information excludes the assets, liabilities and results of operations of the Remaining Group and pursuant to the Group Reorganisation, such Remaining Group Entities do not and have never formed part of the Privateco Group.

Inter-company transactions, balances and unrealised gains/losses on transactions between the Privateco Group companies are eliminated on combination.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the Financial Information are set out below. These policies have been consistently applied to the Relevant Periods presented, unless otherwise stated.

(a) Basis of preparation

The Financial Information of the Privateco Group has been prepared in accordance with the accounting policies adopted by the Company as set out in the annual report of the Company for the year ended 31 December 2011.

The Financial Information has been prepared in accordance with HKFRSs issued by the HKICPA. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets and derivative financial instruments.

The preparation of Financial Information is in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Privateco Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Information, are disclosed in note 4.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Business combination under common control

Wing Tai owned and controlled the companies comprising the Privateco Group before the Group Reorganisation and continue to control these companies after the Group Reorganisation. For the purpose of preparation of the Financial Information of the Privateco Group, the Group Reorganisation is considered as a business combination under common control in a manner similar to pooling of interests. The Financial Information incorporates the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the predecessor existing book values. No amount is recognised with respect to goodwill or any excess of an acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over its cost at the time of common control combination, to the extent of the contribution of the controlling party's interest.

All differences between the cost of acquisition (fair value of consideration paid) and the amounts at which the assets and liabilities are recorded have been recognised directly in equity as part of the capital reserve.

The combined income statements include the results of each of the combining entities or businesses from the earliest date presented or since the date when combining entities or businesses first came under common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the Financial Information are presented as if the entities or businesses had been combined at the earliest date presented or when they first came under common control, whichever is the later.

Intra-group transactions, balances and unrealised gains on transactions between the combining entities or businesses are eliminated. Unrealised losses are also eliminated but considered as an impairment indicator of the asset transferred.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(b) Adoption of new and revised HKFRSs

The Privateco Group has early adopted HKAS 12 (Amendment) “Deferred Tax: Recovery of Underlying Assets” (“HKAS 12 (Amendment)”), which has been applied retrospectively. The Privateco Group has not early adopted the following new and revised standards and amendments to existing standards that have been issued but are not yet effective.

		Effective for accounting period beginning on or after
HKAS 1 (Amendment)	Presentation of Items of Other Comprehensive Income	1 July 2012
HKAS 19 (Revised 2011)	Employee Benefits	1 January 2013
HKAS 27 (Revised 2011)	Separate Financial Statements	1 January 2013
HKAS 28 (Revised 2011)	Investments in Associates and Joint Ventures	1 January 2013
HKAS 32 (Amendment)	Offsetting Financial Assets and Financial Liabilities	1 January 2014
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 July 2011
HKFRS 1 (Amendment)	Government Loans	1 January 2013
HKFRS 7 (Amendment)	Disclosures — Transfers of Financial Assets	1 July 2011
HKFRS 7 (Amendment)	Disclosures — Offsetting Financial Assets and Financial Liabilities	1 January 2013
HKFRS 9	Financial Instruments	1 January 2015
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date and Transition Disclosures	1 January 2015
HKFRS 10	Consolidated Financial Statements	1 January 2013
HKFRS 11	Joint Arrangements	1 January 2013
HKFRS 12	Disclosure of Interests in Other Entities	1 January 2013
HKFRS 13	Fair Value Measurement	1 January 2013
HK(IFRIC)-Int 20	Stripping Costs in the Production of a Surface Mine	1 January 2013
HKFRSs	Fourth 2011 Annual Improvement Project	1 January 2013

The Privateco Group is in the process of making an assessment on the impact of these new and revised standards and amendments to existing standards and is not yet in a position to state whether they would have a significant impact on the Privateco Group’s results and financial position.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(c) Consolidation/combination

The Financial Information includes the financial statements of the Privateco and its subsidiaries made up to 31 December.

(i) *Subsidiaries*

Subsidiaries are all entities (including special purpose entities) over which the Privateco Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Privateco Group controls another entity. The Privateco Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise from circumstances such as enhanced minority rights or contractual terms between shareholders, etc.

Subsidiaries are fully consolidated from the date on which control is transferred to the Privateco Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between Privateco Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Privateco Group.

(I) Business combinations

The Privateco Group applies the acquisition method to account for business combinations other than the business combination under common control as stated in note 2(a). The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Privateco Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Privateco Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the Privateco Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

(II) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(III) Disposal of subsidiaries

When the Privateco Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company or a financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Privateco Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(ii) *Associated companies*

Associated companies are entities over which the Privateco Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated companies are accounted for using the equity method of accounting and are initially recognised at cost. The Privateco Group's investment in associated companies includes goodwill identified on acquisition, net of any accumulated impairment losses. The interests in associated companies also include long-term equity loan which in substance form part of the Privateco Group's net investments in associated companies.

If the ownership interest in an associated company is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

The Privateco Group's share of its associated companies' post-acquisition profits or losses is recognised in the combined income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Privateco Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured receivables, the Privateco Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associated company.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Unrealised gains on transactions between the Privateco Group and its associated companies are eliminated to the extent of the Privateco Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associated companies have been changed where necessary to ensure consistency with the policies adopted by the Privateco Group.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is the executive director of Winsor, is responsible for allocating resources and assessing performance of the operating segments, will make strategic decisions. The identification of operating segments is set out in note 5.

(e) Foreign currencies translation

(i) *Functional and presentation currency*

Items included in the Financial Information of each of the Privateco Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Financial Information is presented in Hong Kong dollars, which is the Privateco's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in the income statement as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

(iii) *Privateco Group companies*

The results and financial positions of all the Privateco Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (1) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- (2) income and expenses for each income statement are translated at average exchange rates; and
- (3) all resulting exchange differences are recognised as a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in equity.

(iv) *Disposal of foreign operation and partial disposal*

On the disposal of a foreign operation (that is, a disposal of the Privateco Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associated company that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the Privateco are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Privateco Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Privateco Group's ownership interest in associated companies that do not result in the Privateco Group losing significant influence) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

(f) **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Privateco Group and the cost of the asset can be measured reliably. All other repair and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their costs or revalued amounts to their residual values over their estimated useful lives, at the following annual rates:

Plant and machinery	10% to 20%
Leasehold improvements, furniture, fixtures and office equipment	10% to 20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gains or losses on disposal of property, plant and equipment are the difference between the net sale proceeds and the carrying amounts of the relevant assets, and are recognised in the income statement. Any revaluation reserve remaining attributable to the relevant assets is transferred to retained earnings and is shown as a movement in reserves.

(g) **Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the Privateco Group, is classified as investment property. Investment property comprises land held under operating leases and buildings held under finance leases and properties being redeveloped for continued future use as investment property. Land held under operating leases is classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment property is carried at fair value. Fair value is based on valuations carried out by external valuers. Changes in fair values are recognised in the income statement.

Subsequent expenditure is charged to the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Privateco Group and the cost of the asset can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

If a property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this property at the date of transfer is recognised in equity as revaluation of property, plant and equipment. However, if the fair value gives rise to a reversal of a previous impairment, this reversal is recognised in the income statement.

(h) **Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Privateco Group's share of the net identifiable assets of the acquired subsidiary/associated company at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associated companies is included in investments in associated companies and is tested annually for impairment as part of the overall carrying amount.

Separately recognised goodwill is tested for impairment and carried at cost less accumulated impairment. Impairment on goodwill is not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Privateco Group allocates goodwill to each business segment in each country in which it operates.

(i) **Impairment of investments in subsidiaries, associated companies and non-financial assets**

Assets that have an indefinite useful life or have not yet been available for use are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each balance sheet date.

In the Privateco's balance sheet, impairment testing of the investments in subsidiaries or associated companies is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary or associated company in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(j) **Assets under leases**

Leases where substantially all the risks and rewards of ownership of assets remain with the lessors are accounted for as operating leases. Leases that substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as finance leases.

(i) *Leases — where the Privateco Group is the lessee*

Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the lease periods.

(ii) *Leases — where the Privateco Group is the lessor*

When the Privateco Group leases out assets under operating leases, the assets are included in the balance sheet according to their nature and where applicable, are depreciated in accordance with the Privateco Group's depreciation policies, as set out in note 2(f) above. Revenue arising from assets leased out under operating leases is recognised in accordance with the Privateco Group's revenue recognition policies, as set out in note 2(w) below.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(k) Financial assets

The Privateco Group classifies its financial assets in the categories of financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and re-evaluates this designation at every balance sheet date.

(i) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term. Derivatives are also classified as held for trading unless they are designated as hedges. Assets in this category are included under current assets.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payment terms that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date which are classified as non-current assets.

(iii) *Held-to-maturity investments*

Financial assets classified as held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Privateco Group's management has both the positive intention and the ability to hold to maturity. The entire category would be tainted and reclassified as available-for-sale financial assets/financial assets at fair value through profit or loss if the Privateco Group were to sell other than an insignificant amount of held-to-maturity investments. They are initially recorded at fair value plus any directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method less allowances for impairment losses. They are included in non-current assets, except for those with maturities less than twelve months of the balance sheet date which are classified as current assets.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months of the balance sheet date.

Regular purchases and sales of financial assets are recognised on trade-date, which is the date on which the Privateco Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Privateco Group has transferred substantially all risks and rewards of ownership.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains and losses arising from changes in the fair value of the financial assets at fair value through profit or loss are included in the income statement in the financial period in which they arise. Unrealised gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income. When available-for-sale financial assets are sold or impaired, the accumulated fair value adjustments are included in the income statement.

Dividend income from financial assets at fair value through profit or loss and available-for-sale financial assets are recognised in the income statement when the Privateco Group's right to receive payments is established.

The fair value of quoted investments is based on current bid prices. If the market for a financial asset is not active and for unlisted securities, the Privateco Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Privateco Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below their costs is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is removed from investment revaluation reserve and recognised in the income statement. Impairment recognised in the income statement on equity instruments is not reversed through the income statement.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the securities and other changes in the carrying amount of the securities. The translation differences on monetary securities are recognised in profit or loss; translation differences on non-monetary securities are recognised in other comprehensive income. Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments previously recognised in investment revaluation reserve are included in the income statement.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(l) Impairment of financial assets

(i) *Assets carried at amortised cost*

The Privateco Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a “loss event”) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Privateco Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- The Privateco Group, for economic or legal reasons relating to the borrower’s financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties; or
- Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:
 - (i) adverse changes in the payment status of borrowers in the portfolio;
 - (ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Privateco Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset’s original effective interest rate. The asset’s carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement. If

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Privateco Group may measure impairment on the basis of an instrument's fair value using an observable market price.

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(ii) *Assets classified as available-for-sale financial assets*

The Privateco Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Privateco Group uses the criteria refer to (i) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investments below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss — measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss — is removed from investment revaluation reserve and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

(m) **Inventories**

Inventories comprise finished goods and are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(n) **Trade and other receivables**

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Privateco Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(o) Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Privateco Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Privateco Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than twelve months.

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in hedging reserve are recycled in the income statement in the financial periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in hedging reserve at that time remains in hedging reserve and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in hedging reserve is immediately transferred to the income statement.

Certain non-trade derivative financial instruments do not qualify for hedge accounting. These instruments are classified as current or non-current asset or liability according to the settlement dates of the financial instruments. Changes in the fair value of these derivative instruments are recognised immediately in the income statement.

(p) Cash and cash equivalents

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

(q) Provisions

Provisions are recognised when the Privateco Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(r) **Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(s) **Combined capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) **Financial guarantee contracts**

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the beneficiary of the guarantee for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially recognised at their fair value, and subsequently measured at the higher of (i) the amount initially recognised less accumulated amortisation; and (ii) the amount required to be settled by the guarantor in respect of the financial guarantee contracts at the balance sheet date.

(u) **Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Privateco Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the Financial Information. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Privateco Group.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Contingent assets are not recognised but are disclosed in the notes to the Financial Information when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(v) Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Privateco and its subsidiaries and associated companies operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Information. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction (other than a business combination) that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associated companies except where the timing of the reversal of the temporary difference is controlled by the Privateco Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

(w) Recognition of revenue and income

Revenue comprises the fair value of the consideration for the sale of goods and rendering of services in the ordinary course of the Privateco Group's activities. The Privateco Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Privateco Group's activities as described below.

Operating lease rental income from investment properties is recognised on a straight-line basis over the lease period.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

Warehousing income and other income is recognised when the services are rendered.

Revenue from the sale of properties is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

(x) **Employee benefits**

Employee entitlements to annual leave and statutory long service payments are recognised when they accrue to employees. A provision is made for the estimated liability as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

The Privateco Group's contributions to the defined contribution retirement scheme are expensed as incurred and are reduced by voluntary contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. The assets of the scheme are held separately from those of the Privateco Group in independently administered funds.

(y) **Borrowings and borrowing costs**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Privateco Group has an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of these assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Capitalisation of borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as expenses in the financial period in which they are incurred.

(z) **Dividend distribution**

Dividend distribution to the Privateco's shareholders is recognised as a liability in the Privateco Group's financial statements in the financial period in which the dividends become present legal and constructive obligations of the Privateco.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

3 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Privateco Group's activities expose it to a variety of financial risks such as foreign exchange risk, price risk, credit risk, liquidity risk and interest rate risk. The Privateco Group's overall risk management seeks to minimise potential adverse effects on the Privateco Group's financial performance. The Privateco Group uses derivative financial instruments to hedge certain risk exposures.

(i) Foreign exchange risk

The majority of the Privateco Group's assets are located and operated in Hong Kong, and the related revenue generated from these assets is denominated in Hong Kong dollars. At 31 December 2009 and 2010, the Privateco Group's borrowings were denominated in Hong Kong dollars. At 31 December 2011, the Privateco Group's borrowings were principally denominated in Hong Kong dollars.

The Privateco Group is exposed to changes in foreign exchange rates due to its investment in foreign operations, whose net assets are exposed to foreign currency transaction risk.

Management monitors exchange rate movements closely to ascertain if any material exposure may arise. The Privateco Group regards the foreign exchange risk from fluctuation of currencies other than Singapore dollars is insignificant.

At 31 December 2009, 2010 and 2011, if Hong Kong dollars had strengthened or weakened by 5% against Singapore dollars with all other variables held constant, profit after taxation for the years ended 31 December 2009, 2010 and 2011 would have been HK\$13,000, HK\$728,000 and HK\$283,000 lower or higher, mainly as a result of foreign exchange losses or gains on translation of bank balances denominated in Singapore dollars.

At 31 December 2009, 2010 and 2011, if Hong Kong dollars had strengthened or weakened by 5% against Singapore dollars with all other variables held constant, equity would have been HK\$16,336,000, HK\$35,855,000 and HK\$32,458,000 lower or higher, mainly as a result of foreign exchange losses or gains on translation of available-for-sale financial assets and interests in associated companies and amounts and loans receivable from associated companies denominated in Singapore dollars.

(ii) Price risk

The Privateco Group is exposed to equity securities price risk because the Privateco Group holds available-for-sale financial assets. The Privateco Group is not exposed to commodity price risk.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

At 31 December 2009, 2010 and 2011, if market value of the Privateco Group's available-for-sale financial assets had increased or decreased by 10%, with all other variables held constant, equity would have been HK\$26,335,000, HK\$31,968,000 and HK\$22,525,000 higher or lower.

(iii) *Credit risk*

The Privateco Group's credit risks are primarily attributable to bank balances, available-for-sale financial assets, held-to-maturity investments, amounts receivable from Remaining Group Entities, trade and other receivables and counter-party financial obligations in derivative financial instruments.

The Privateco Group's cash deposits are placed with banks and financial institutions of high credit ratings and the Privateco Group's available-for-sale financial assets and held-to-maturity investments are primarily invested in companies with sound financial conditions. The Privateco Group regularly reviews the investments to determine whether there is deterioration in credit quality.

The Privateco Group has no significant concentration of credit risk. For rent receivable from tenants, credit checks are part of the normal leasing process and stringent monitoring procedures are in place to deal with overdue debts. In addition, the Privateco Group reviews the recoverable amount of each individual trade receivable at each balance sheet date to ensure that adequate provisions for impairment are made for irrecoverable amounts.

To mitigate counter-party risk, the Privateco Group enters into derivative contracts only with financial institutions of high credit ratings.

(iv) *Liquidity risk*

The Privateco Group regularly assesses its funding requirements and prepares rolling cashflow forecast to ensure it has sufficient cash resources and undrawn banking facilities at all times to meet its operating, investing and financing needs.

The Privateco Group regularly reviews the debt covenants of the bank loans to ensure compliance of those covenants and avoid any interruption to its banking and credit facilities.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The table below analyses the Privateco Group's financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Less than 1 year <i>HK\$'000</i>	Between 1 and 2 years <i>HK\$'000</i>	Between 2 and 5 years <i>HK\$'000</i>
At 31 December 2009			
Bank borrowings	349,227	173,753	2,095,650
Trade and other payables and accruals	292,862	—	—
Derivative financial instruments	40,821	26,255	29,007
Amounts payable to Winsor	—	3,372,078	—
Total	682,910	3,572,086	2,124,657
At 31 December 2010			
Bank borrowings	152,654	292,705	1,609,797
Trade and other payables and accruals	269,537	—	—
Derivative financial instruments	42,865	35,121	36,500
Amounts payable to Winsor	—	3,526,941	—
Total	465,056	3,854,767	1,646,297
At 31 December 2011			
Bank borrowings	575,155	992,684	596,453
Trade and other payables and accruals	196,642	—	—
Derivative financial instruments	42,130	38,376	24,566
Amounts payable to Winsor	—	3,413,622	—
Total	813,927	4,444,682	621,019

The amounts disclosed in the table represent the contractual undiscounted cash flows including interest payments, if applicable, and may not reconcile to the amounts in the combined balance sheets.

(v) Interest rate risk

As the Privateco Group has no significant interest-bearing assets (other than bank balances and certain amounts/loans receivable from associated companies), the Privateco Group's income and operating cash flows are substantially independent of changes in market interest rates.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The Privateco Group is exposed to changes in interest rates due to its bank borrowings. The Privateco Group manages its interest rate exposure based on interest rate level and outlook as well as potential impact on the Privateco Group's financial position arising from volatility. Interest rate swap contract is the hedging instrument most commonly used by the Privateco Group to manage the interest rate exposure. The Privateco Group enters into debt obligations to support general corporate purposes including capital expenditure and working capital needs.

(i) Cash flow interest rate risk

At 31 December 2009, 2010 and 2011, if interest rates on borrowings had been 25 basis points higher or lower with all other variables held constant, profit after taxation for the years ended 31 December 2009, 2010 and 2011 would have been HK\$2,873,000, HK\$3,069,000 and HK\$2,038,000 lower or higher, mainly as a result of higher or lower interest expense on floating rate borrowings.

(ii) Fair value interest rate risk

At 31 December 2009, 2010 and 2011, if the interest yield curve for forward interest rates had been shifted up or down by 50 basis points with all other variables held constant:

- profit after taxation for the years ended 31 December 2009, 2010 and 2011 would have been HK\$1,800,000, HK\$853,000 and HK\$975,000 higher or HK\$800,000, HK\$884,000 and HK\$1,001,000 lower, mainly as a result of gain or loss relating to the portion of changes in the fair value of interest rate swap contracts not qualified for hedge accounting;
- equity would have been HK\$26,200,000, HK\$17,515,000 and HK\$13,858,000 higher or HK\$14,700,000, HK\$16,539,000 and HK\$11,522,000 lower, mainly as a result of an increase or a decrease in the fair value of the effective portion of the cash flow hedges of borrowings as described above.

(b) Capital management

The Privateco Group's objectives when managing capital are to safeguard the Privateco Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Privateco Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Privateco Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total bank borrowings (including current and non-current bank borrowings) less bank balances and cash.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The gearing ratios at 31 December 2009, 2010 and 2011 were as follows:

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Total bank borrowings	2,502,500	1,961,850	2,106,782
Less: Bank balances and cash	<u>(171,605)</u>	<u>(433,923)</u>	<u>(646,492)</u>
Net debt	<u>2,330,895</u>	<u>1,527,927</u>	<u>1,460,290</u>
Total equity	<u>3,108,110</u>	<u>5,287,024</u>	<u>7,137,899</u>
Gearing ratio	<u>75.0%</u>	<u>28.9%</u>	<u>20.5%</u>

(c) Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as price) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The following table presents the Privateco Group's assets and liabilities that were measured at fair value at 31 December 2009, 2010 and 2011.

	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000
As at 31 December 2009			
Assets			
Available-for-sale financial assets	<u>263,348</u>	<u>86,834</u>	<u>350,182</u>
Liabilities			
Derivative financial instruments	<u>—</u>	<u>96,083</u>	<u>96,083</u>
As at 31 December 2010			
Assets			
Available-for-sale financial assets	319,677	111,417	431,094
Derivative financial instruments	<u>—</u>	<u>16,000</u>	<u>16,000</u>
	<u>319,677</u>	<u>127,417</u>	<u>447,094</u>
Liabilities			
Derivative financial instruments	<u>—</u>	<u>114,486</u>	<u>114,486</u>
As at 31 December 2011			
Assets			
Available-for-sale financial assets	225,255	94,147	319,402
Derivative financial instruments	<u>—</u>	<u>179</u>	<u>179</u>
	<u>225,255</u>	<u>94,326</u>	<u>319,581</u>
Liabilities			
Derivative financial instruments	<u>—</u>	<u>105,072</u>	<u>105,072</u>

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Privateco Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily equity investments listed outside Hong Kong classified as available-for-sale financial assets.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Instruments included in level 2 comprise primarily the derivative financial instruments and unlisted available-for-sale financial assets, which represent unlisted equity investments with certain underlying assets comprising equity investments listed outside Hong Kong.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Critical accounting estimates and assumptions

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

(i) Fair value of investment properties

The Privateco Group's investment properties are revalued at the balance sheet date on the open market value basis by independent professional valuers. Such valuations were based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In marking the judgement on whether such valuations and assumptions made by the valuers are reasonable, the Privateco Group considers information from comparable current prices in an active market for similar properties, capitalisation rate, terminal yield, rental income from current leases and assumptions about rental from future leases and the reversionary income potential and uses assumptions that are mainly based on market conditions existing at each balance sheet date.

(ii) Fair value of available-for-sale financial assets and derivative financial instruments

If information on current or recent prices of available-for-sale financial assets is not available, the fair values of available-for-sale financial assets are determined using valuation techniques (including discounted cash flow model or price/earnings multiple model). The Privateco Group uses assumptions that are mainly based on market conditions existing at each balance sheet date.

The fair value of derivative financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Privateco Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each balance sheet date.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Critical judgement in applying the Privateco Group's accounting policies

(i) *Income tax*

The Privateco Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination may be uncertain. The Privateco Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the financial period in which such determination is made.

Under HKAS 12 (Amendment), there is a rebuttable presumption that the carrying amount of investment properties using fair value model will be recovered through sale. Accordingly, no provision for deferred tax is made on revaluation of investment properties if there is no capital gain tax. If investment properties would be recovered through use, provision for deferred tax is made on revaluation of investment properties using income tax rate. The Privateco Group has reassessed the measurement of deferred taxation by applying the rebuttable presumption that the carrying amount of investment properties will be recovered through sale.

Recognition of deferred tax asset, which principally relates to tax losses of certain subsidiaries, depends on the management's expectation of future taxable profit that will be available against which the tax losses can be utilised. The outcome of their actual utilisation may be different.

(ii) *Classification of investment properties*

The Privateco Group determines whether a property qualifies as investment property. In making its judgement, the Privateco Group considers whether the property (land or building) is held to earn rental or for capital appreciation rather than for use in the production or supply of goods and services or sale. The Privateco Group considers each property separately in making its judgement.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

5 REVENUE, OTHER INCOME AND SEGMENT INFORMATION

Revenue and other income recognised during the Relevant Periods are as follows:

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Revenue			
Rental and property management	213,922	328,216	399,052
Warehousing	<u>14,483</u>	<u>13,243</u>	<u>15,772</u>
	<u>228,405</u>	<u>341,459</u>	<u>414,824</u>
Other income			
Dividend income from available-for-sale financial assets	27,186	23,776	36,010
Interest income on loans to associated companies	8,464	9,387	3,177
Others	<u>3,939</u>	<u>2,400</u>	<u>6,568</u>
	<u>39,589</u>	<u>35,563</u>	<u>45,755</u>
	<u>267,994</u>	<u>377,022</u>	<u>460,579</u>

The Privateco Group has determined the following operating segments for the purpose of assessing performance and allocating resources between segments:

- Rental and property management
- Warehousing
- Investment
- Others

Management assesses the performance of the operating segments primarily based on segment profit. Segment profit represents the profit earned by each segment and excludes change in fair value of derivative financial instruments, exchange differences released upon repayment of loans from an associated company, unallocated income less expenses, finance income, finance costs, share of profits less losses of associated companies, gain on bargain purchase and taxation charge.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Operating segments

	Rental and property management <i>HK\$'000</i>	Warehousing <i>HK\$'000</i>	Investment <i>HK\$'000</i>	Others <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 December 2009					
Revenue	<u>213,922</u>	<u>14,483</u>	<u>—</u>	<u>—</u>	<u>228,405</u>
Segment results before change in fair value of investment properties	124,222	1,503	33,766	—	159,491
Increase in fair value of investment properties	<u>279,300</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>279,300</u>
Segment results	<u>403,522</u>	<u>1,503</u>	<u>33,766</u>	<u>—</u>	438,791
Fair value gains on derivative financial instruments	63,078	—	—	—	63,078
Unallocated income less expenses					<u>(22,541)</u>
Operating profit					479,328
Finance income	44	—	1	—	45
Finance costs	(63,556)	—	(214)	—	<u>(63,770)</u>
					415,603
Share of profits less losses of associated companies (Note)	(1)	81	—	(3,178)	<u>(3,098)</u>
Profit before taxation					412,505
Taxation charge					<u>(22,257)</u>
Profit for the year					<u>390,248</u>
Capital expenditure	28,088	838	—	—	28,926
Depreciation	<u>2,099</u>	<u>239</u>	<u>—</u>	<u>—</u>	<u>2,338</u>
At 31 December 2009					
Segment assets	8,451,251	7,268	382,320	—	8,840,839
Interests in associated companies (Note)	13,887	4,222	—	162,860	180,969
Amounts and loans receivable from associated companies (Note)	11,163	22,330	—	316,845	350,338
Other assets					<u>219,753</u>
Total assets					<u>9,591,899</u>
Segment liabilities	309,328	1,795	2,864	—	313,987
Amounts and loans payable to associated companies (Note)	—	—	—	166,789	166,789
Other liabilities					<u>6,003,013</u>
Total liabilities					<u>6,483,789</u>

Note: The associated company, which is principally engaged in property development, contributed share of losses of associated companies of HK\$3,178,000, interests in associated companies of HK\$162,860,000, amounts and loans receivable from associated companies of HK\$316,845,000 and amounts and loans payable to associated companies of HK\$166,789,000.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Rental and property Management HK\$'000	Warehousing HK\$'000	Investment HK\$'000	Others HK\$'000	Total HK\$'000
Year ended 31 December 2010					
Revenue	<u>328,216</u>	<u>13,243</u>	<u>—</u>	<u>—</u>	<u>341,459</u>
Segment results before change in fair value and gains on disposals of investment properties	241,315	147	31,156	—	272,618
Increase in fair value of investment properties	1,727,118	—	—	—	1,727,118
Gains on disposals of investment properties	<u>146,462</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>146,462</u>
Segment results	<u>2,114,895</u>	<u>147</u>	<u>31,156</u>	<u>—</u>	<u>2,146,198</u>
Fair value gains on derivative financial instruments	959	—	16,000	—	16,959
Unallocated income less expenses					<u>(22,002)</u>
Operating profit					2,141,155
Finance income	405	—	1	—	406
Finance costs	(73,595)	—	(10)	—	<u>(73,605)</u>
					2,067,956
Share of profits less losses of associated companies (Note)	(419)	(593)	—	301,300	<u>300,288</u>
Profit before taxation					2,368,244
Taxation charge					<u>(16,297)</u>
Profit for the year					<u>2,351,947</u>
Capital expenditure	5,341	5,135	—	—	10,476
Depreciation	<u>1,897</u>	<u>355</u>	<u>—</u>	<u>—</u>	<u>2,252</u>
At 31 December 2010					
Segment assets	9,647,252	12,103	490,693	—	10,150,048
Interests in associated companies (Note)	14,166	3,871	—	482,639	500,676
Amounts and loans receivable from associated companies (Note)	11,208	22,330	—	323,987	357,525
Other assets					<u>384,478</u>
Total assets					<u>11,392,727</u>
Segment liabilities	274,324	2,533	26,822	—	303,679
Amounts and loans payable to associated companies (Note)	—	—	—	166,789	166,789
Other liabilities					<u>5,635,235</u>
Total liabilities					<u>6,105,703</u>

Note: The associated company, which is principally engaged in property development, contributed share of profits of associated companies of HK\$301,300,000, interests in associated companies of HK\$482,639,000, amounts and loans receivable from associated companies of HK\$323,987,000 and amounts and loans payable to associated companies of HK\$166,789,000.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Rental and property management HK\$'000	Warehousing HK\$'000	Investment HK\$'000	Others HK\$'000	Total HK\$'000
Year ended 31 December 2011					
Revenue	399,052	15,772	—	—	414,824
Segment results before change in fair value of investment properties	308,456	1,858	45,655	—	355,969
Increase in fair value of investment properties	1,855,219	—	—	—	1,855,219
Segment results	2,163,675	1,858	45,655	—	2,211,188
Fair value losses on derivative financial instruments	(1,365)	—	(15,821)	—	(17,186)
Exchange differences released upon repayment of loans from an associated company	—	—	—	44,122	44,122
Unallocated income less expenses					(32,334)
Operating profit					2,205,790
Finance income	5,671	—	—	—	5,671
Finance costs	(72,114)	—	(274)	—	(72,388)
					2,139,073
Share of profits less losses of associated companies (Note)	230	(3,199)	—	154,190	151,221
Gain on bargain purchase	—	—	—	69,387	69,387
Profit before taxation					2,359,681
Taxation charge					(32,954)
Profit for the year					2,326,727
Capital expenditure	5,985	14	—	—	5,999
Depreciation	1,923	670	—	—	2,593
At 31 December 2011					
Segment assets	11,701,298	13,902	419,078	—	12,134,278
Interests in associated companies (Note)	14,867	181	—	681,096	696,144
Amounts and loans receivable from associated companies (Note)	11,557	22,355	—	5,457	39,369
Other assets					183,539
Total assets					13,053,330
Segment liabilities	192,489	3,286	22,084	—	217,859
Amounts and loans payable to associated companies (Note)	—	—	—	23,552	23,552
Other liabilities					5,674,020
Total liabilities					5,915,431

Note: The associated company, which is principally engaged in property development, contributed share of profits of associated companies of HK\$108,501,000, interests in associated companies of HK\$366,083,000, amounts and loans receivable from associated companies of HK\$5,457,000 and amounts and loans payable to associated companies of HK\$23,552,000.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Geographical information

The Privateco Group primarily operates in Hong Kong. An analysis of the Privateco Group's revenue, segment results and segment assets by geographical location is as follows:

(i) Revenue and segment results

	Revenue			Segment results		
	Year ended			Year ended		
	31/12/2009	31/12/2010	31/12/2011	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	228,405	341,459	414,824	412,152	2,114,652	2,175,789
Singapore	—	—	—	26,639	31,546	35,399
	<u>228,405</u>	<u>341,459</u>	<u>414,824</u>	438,791	2,146,198	2,211,188
Fair value gains/(losses) on derivative financial instruments				63,078	16,959	(17,186)
Exchange differences released upon repayment of loans from an associated company				—	—	44,122
Unallocated income less expenses				(22,541)	(22,002)	(32,334)
Operating profit				479,328	2,141,155	2,205,790
Finance income				45	406	5,671
Finance costs				(63,770)	(73,605)	(72,388)
	<u>228,405</u>	<u>341,459</u>	<u>414,824</u>	<u>415,603</u>	<u>2,067,956</u>	<u>2,139,073</u>

(ii) Segment assets

	Capital expenditure			Non-current assets other than financial instruments and deferred tax assets			Total assets		
	Year ended			Year ended			Year ended		
	31/12/2009	31/12/2010	31/12/2011	31/12/2009	31/12/2010	31/12/2011	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	28,926	10,476	5,999	8,534,720	9,446,624	11,400,551	8,996,425	10,360,988	12,362,206
Singapore	—	—	—	198,120	553,417	327,484	548,721	984,511	646,886
Mainland China	—	—	—	46,753	47,228	44,238	46,753	47,228	44,238
	<u>28,926</u>	<u>10,476</u>	<u>5,999</u>	<u>8,779,593</u>	<u>10,047,269</u>	<u>11,772,273</u>	<u>9,591,899</u>	<u>11,392,727</u>	<u>13,053,330</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

6 OPERATING PROFIT

Operating profit has been arrived at after (charging)/crediting the following:

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Amortised income from held-to-maturity investments (<i>Note 18</i>)	6,052	7,380	9,028
Auditor's remuneration	(706)	(609)	(812)
Depreciation of property, plant and equipment	(2,338)	(2,252)	(2,593)
Direct operating expenses arising from investment properties generating rental income	(74,108)	(59,877)	(83,250)
Direct operating expenses for generating warehousing income	(4,365)	(5,687)	(5,944)
Exchange differences released upon repayment of loans from an associated company	—	—	44,122
Fair value gains/(losses) on derivative financial instruments	63,078	16,959	(17,186)
Gains/(losses) on disposals of property, plant and equipment	2	(101)	11
Interest income from held-to-maturity investments	—	—	617
Operating lease rentals in respect of land and buildings	(3,939)	(4,028)	(4,118)
Other exchange gain/(loss), net	1,497	929	(1,350)
Staff costs included in leasing, marketing and administrative expenses (including Directors' emoluments) (<i>Note 8</i>)	(25,183)	(26,115)	(30,209)
Realised gain on available-for-sale financial assets	<u>610</u>	<u>—</u>	<u>—</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

7 FINANCE INCOME AND COSTS

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Finance income			
Interest income on bank deposits and bank balances	45	406	5,671
Finance costs			
Interest expenses on bank loans and overdrafts	(63,770)	(73,605)	(72,388)
Finance costs, net	<u>(63,725)</u>	<u>(73,199)</u>	<u>(66,717)</u>

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Salaries, wages and other benefits	28,807	31,070	49,256
Retirement benefits, net of negligible forfeited contributions (<i>Note a</i>)	<u>1,487</u>	<u>1,406</u>	<u>2,028</u>
	<u>30,294</u>	<u>32,476</u>	<u>51,284</u>
Included in:			
Cost of sales	5,111	6,361	21,075
Leasing, marketing and administrative expenses (<i>Note 6</i>)	<u>25,183</u>	<u>26,115</u>	<u>30,209</u>
	<u>30,294</u>	<u>32,476</u>	<u>51,284</u>

(a) Retirement benefits — defined contribution plans

The Privateco Group contributes to a defined contribution mandatory provident fund scheme for those employees in Hong Kong under the age of 65. Two subsidiaries operate in a country which has a central government administrated retirement scheme. Contributions are made by the Privateco Group as a percentage of employees' relevant salaries. The retirement benefit costs charged to the combined income statements represent contributions by the Privateco Group in respect of the above retirement schemes.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Contributions totalling HK\$109,000, HK\$340,000 and HK\$364,000 as at 31 December 2009, 2010 and 2011 respectively were payable to the schemes at the respective balance sheet dates, and are included in trade and other payables and accruals.

(b) Directors' emoluments

During the Relevant Periods, the directors of the Privateco received directors' emoluments from the Private Group and Winsor totalling HK\$3,781,000, HK\$4,383,000 and HK\$4,469,000 for the years ended 31 December 2009, 2010 and 2011 respectively. No apportionment has been made as the directors of the Privateco consider that it is impracticable to apportion this amount between their services to the Privateco Group and their services to Winsor and the Remaining Group Entities.

During the Relevant Periods, no directors or senior management of Winsor waived any emoluments and no emoluments were paid by Winsor to any of the directors or senior management as an inducement to join or upon joining the Privateco Group or as compensation for loss of office.

9 SHARE OF PROFITS LESS LOSSES OF ASSOCIATED COMPANIES

Included the Privateco Group's share of increase in fair value of an investment property held by an associated company of HK\$38,890,000 during the year ended 31 December 2011. The Privateco Group has not showed any increased in fair value of an investment property held by an associate for the year ended 31 December 2009 and 2010.

10 GAIN ON BARGAIN PURCHASE

On 30 June 2011, the Privateco Group completed the acquisition of the entire issued share capital of Dragon Eye Holding Ltd. ("Dragon Eye") at a consideration of HK\$229,097,000. Dragon Eye holds 40% of equity interest in Fore Prosper Limited, which is the owner of a boutique hotel property situated in Hong Kong. Details of the net assets of Dragon Eye acquired by the Privateco Group and the gain on bargain purchase were as follows:

	Year ended 31/12/2011 HK\$'000
Purchase consideration in cash	229,097
Less: Fair value of net assets acquired (<i>Note 16</i>)	<u>298,484</u>
Gain on bargain purchase	<u><u>69,387</u></u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

11 TAXATION CHARGE

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Current taxation			
Hong Kong profits tax	(9,322)	(18,640)	(9,523)
Overseas taxation	(198)	(312)	(120)
Over/(under) provision in prior years	<u>186</u>	<u>(4,176)</u>	<u>2,249</u>
	<u>(9,334)</u>	<u>(23,128)</u>	<u>(7,394)</u>
Deferred taxation (<i>Note 27</i>)			
Temporary differences	<u>(12,923)</u>	<u>6,831</u>	<u>(25,560)</u>
	<u>(22,257)</u>	<u>(16,297)</u>	<u>(32,954)</u>

Hong Kong profits tax has been provided at the rate of 16.5%, 16.5% and 16.5% on the estimated assessable profits for the years ended 31 December 2009, 2010 and 2011 respectively. Overseas taxation has been provided on the estimated assessable profits for the Relevant Periods at rates prevailing in the countries in which the subsidiaries operate.

The Privateco Group's share of taxation credit of associated companies for the year ended 31 December 2009 of HK\$372,000 and taxation charge of associated companies for the years ended 31 December 2010 and 2011 of HK\$62,184,000 and HK\$21,934,000 respectively, have been netted off against the Privateco Group's share of profits less losses of associated companies as presented in the combined income statements.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The taxation on the Privateco Group's operating profit after finance income and finance costs differs from the theoretical amount that would arise using the Hong Kong taxation rate as follows:

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Operating profit after finance income and finance costs	<u>415,603</u>	<u>2,067,956</u>	<u>2,139,073</u>
Calculated at a taxation rate of 16.5%	(68,574)	(341,213)	(352,947)
Effect of different taxation rates in other countries	102	(122)	(346)
Income not subject to taxation	52,359	317,939	322,056
Expenses not deductible for taxation purposes	(3)	—	(2,757)
Recognition of previously unrecognised tax losses	5,335	11,413	—
Tax loss and other temporary differences not recognised	(11,413)	—	—
Over/(under) provision in prior years	186	(4,176)	2,249
Others	<u>(249)</u>	<u>(138)</u>	<u>(1,209)</u>
Taxation charge	<u>(22,257)</u>	<u>(16,297)</u>	<u>(32,954)</u>

No taxation charge is in relation to components of other comprehensive income for the Relevant Periods.

12 DIVIDENDS

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Interim dividend, paid	<u>80,000</u>	<u>296,000</u>	<u>305,000</u>

During the years ended 31 December 2009, 2010 and 2011, an interim dividend of HK\$80,000,000, HK\$296,000,000 and HK\$305,000,000 respectively were paid by one of the combined group companies to Winsor.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

13 SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the transactions disclosed elsewhere in this Financial Information, the Privateco Group had the following significant transactions with related parties during the Relevant Periods.

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Dividend paid to Winsor	(80,000)	(296,000)	(305,000)
Interest income from associated companies	8,464	9,387	3,177
Rental and management fee income from related companies	17,193	18,412	13,457
Leasing and selling agency fee income received from the Remaining Group Entities	1,358	1,238	2,260
Property manager's remuneration fee income from the Remaining Group Entities	693	705	762
Recovery of staff costs from the Remaining Group Entities	1,338	1,437	2,254
Management fee income from the Remaining Group Entities	1,090	920	930
Key management compensation	(3,781)	(4,383)	(4,469)
Rental and management fee paid to the Remaining Group Entities	(182)	(442)	(745)
Interest expense paid to a Remaining Group Entity	(2,519)	(1,912)	(2,053)
Management fee paid to Winsor	<u>(7,560)</u>	<u>(6,240)</u>	<u>(6,960)</u>

Notes:

- (1) These transactions were carried out on terms mutually agreed between the parties involved.
- (2) Key management personnel represents the directors of Winsor and their remuneration are set out in note 8(b).

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

14 PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery <i>HK\$'000</i>	Leasehold improvements, furniture, fixtures and office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Total <i>HK\$'000</i>
At cost				
At 1 January 2009	887	3,629	2,273	6,789
Translation differences	—	6	31	37
Additions	—	8,226	—	8,226
Disposals	—	(848)	—	(848)
	<u>887</u>	<u>11,013</u>	<u>2,304</u>	<u>14,204</u>
At 31 December 2009				
Accumulated depreciation				
At 1 January 2009	736	2,374	1,111	4,221
Translation differences	—	6	24	30
Charge for the year	38	1,873	427	2,338
Disposals	—	(841)	—	(841)
	<u>774</u>	<u>3,412</u>	<u>1,562</u>	<u>5,748</u>
At 31 December 2009				
Net book value				
At 31 December 2009	<u>113</u>	<u>7,601</u>	<u>742</u>	<u>8,456</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Plant and machinery	Leasehold improvements, furniture, fixtures and office equipment	Motor vehicles	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At cost				
At 1 January 2010	887	11,013	2,304	14,204
Translation differences	—	—	36	36
Additions	—	5,594	—	5,594
Disposals	<u>—</u>	<u>(365)</u>	<u>(1,000)</u>	<u>(1,365)</u>
At 31 December 2010	<u>887</u>	<u>16,242</u>	<u>1,340</u>	<u>18,469</u>
Accumulated depreciation				
At 1 January 2010	774	3,412	1,562	5,748
Translation differences	—	—	27	27
Charge for the year	35	1,992	225	2,252
Disposals	<u>—</u>	<u>(46)</u>	<u>(750)</u>	<u>(796)</u>
At 31 December 2010	<u>809</u>	<u>5,358</u>	<u>1,064</u>	<u>7,231</u>
Net book value				
At 31 December 2010	<u>78</u>	<u>10,884</u>	<u>276</u>	<u>11,238</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Plant and machinery <i>HK\$'000</i>	Leasehold improvements, furniture, fixtures and office equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Total <i>HK\$'000</i>
At cost				
At 1 January 2011	887	16,242	1,340	18,469
Additions	—	286	—	286
Disposals	—	(30)	(102)	(132)
At 31 December 2011	<u>887</u>	<u>16,498</u>	<u>1,238</u>	<u>18,623</u>
Accumulated depreciation				
At 1 January 2011	809	5,358	1,064	7,231
Charge for the year	18	2,354	221	2,593
Disposals	—	(29)	(102)	(131)
At 31 December 2011	<u>827</u>	<u>7,683</u>	<u>1,183</u>	<u>9,693</u>
Net book value				
At 31 December 2011	<u>60</u>	<u>8,815</u>	<u>55</u>	<u>8,930</u>

15 INVESTMENT PROPERTIES

	31/12/2009 <i>HK\$'000</i>	31/12/2010 <i>HK\$'000</i>	31/12/2011 <i>HK\$'000</i>
Beginning of the year	7,939,930	8,239,830	9,177,830
Additions	20,700	4,882	5,713
Disposals	(100)	(794,000)	—
Overprovision of construction costs	—	—	(10,932)
Fair value gain	<u>279,300</u>	<u>1,727,118</u>	<u>1,855,219</u>
End of the year	<u>8,239,830</u>	<u>9,177,830</u>	<u>11,027,830</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The carrying amount of investment properties shown above comprises:

	31/12/2009	31/12/2010	31/12/2011
Leasehold land in Hong Kong	HK\$'000	HK\$'000	HK\$'000
Long-term lease	994,000	1,100,000	1,270,000
Medium-term lease	<u>7,245,830</u>	<u>8,077,830</u>	<u>9,757,830</u>
	<u>8,239,830</u>	<u>9,177,830</u>	<u>11,027,830</u>

- (a) Investment properties (other than agricultural lots) held in Hong Kong were revalued at 31 December 2009, 2010 and 2011 by Jones Lang LaSalle Limited. The agricultural lots held in Hong Kong were revalued at 31 December 2009, 2010 and 2011 by B. I. Appraisals Limited. All valuers are independent and their valuations were carried out on the open market value basis. The valuations have made reference to current prices in an active market.
- (b) As at 31 December 2009, 2010 and 2011, certain investment properties with a carrying amount of HK\$8,232,000,000, HK\$9,152,000,000 and HK\$11,001,000,000 respectively have been pledged to secure the Privateco Group's banking facilities.

16 ASSOCIATED COMPANIES

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Share of net assets	180,969	500,676	696,144
Amounts and loans receivable (<i>Note a</i>)	350,338	357,525	39,369
Amounts and loans payable (<i>Note b</i>)	<u>(166,789)</u>	<u>(166,789)</u>	<u>(23,552)</u>
	<u>364,518</u>	<u>691,412</u>	<u>711,961</u>
Investments at cost — unlisted shares	<u>11,308</u>	<u>11,308</u>	<u>11,348</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The movements of interests in associated companies are as follows:

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Beginning of the year	334,313	364,518	691,412
Translation differences	2,321	62,363	(6,405)
Share of profits less losses of associated companies	(3,098)	300,288	151,221
Share of hedging reserve	—	—	(3,174)
Acquisition of an associated company (Note 10)	—	—	298,484
Dividends from associated companies	(3,096)	—	(269,977)
Interest income on loans to associated companies	8,464	9,387	3,177
Repayment and loans to associated companies	26,000	2,800	193,734
Repayment and advances from associated companies	<u>(386)</u>	<u>(47,944)</u>	<u>(346,511)</u>
End of the year	<u>364,518</u>	<u>691,412</u>	<u>711,961</u>

The share of assets, liabilities and results of the associated companies attributable to the Privateco Group is summarised as follows:

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Non-current assets	1,452,965	220,762	560,371
Current assets	135,873	779,718	512,726
Current liabilities	(648,016)	(113,500)	(114,165)
Non-current liabilities	<u>(759,853)</u>	<u>(386,304)</u>	<u>(262,788)</u>
	<u>180,969</u>	<u>500,676</u>	<u>696,144</u>

	31/12/2009	Year ended 31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Revenue	10,031	1,090,401	343,534
Profits less losses after taxation	<u>(3,098)</u>	<u>300,288</u>	<u>151,221</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- (a) The amounts and loans receivable are denominated in the following currencies:

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Singapore dollars	194,608	246,548	718
Hong Kong dollars	129,120	84,306	11,605
Renminbi	<u>26,610</u>	<u>26,671</u>	<u>27,046</u>
	<u>350,338</u>	<u>357,525</u>	<u>39,369</u>

The amounts and loans receivable are unsecured, and have no fixed terms of repayment. Except for an aggregate amount of HK\$149,397,000, HK\$104,682,000 and HK\$32,502,000 as at 31 December 2009, 2010 and 2011 respectively which is interest-free, the amounts and loans receivable carry interests at agreed rates between the parties.

- (b) The amounts and loans payable are unsecured, denominated in Hong Kong dollars, interest-free and have no fixed terms of repayment.
- (c) Particulars of the associated companies are set out in note 35(b).

17 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Available-for-sale financial assets comprise:			
Real estate investment trust listed outside			
Hong Kong	263,348	319,677	225,255
Unlisted equity investments	<u>86,834</u>	<u>111,417</u>	<u>94,147</u>
	<u>350,182</u>	<u>431,094</u>	<u>319,402</u>

- (a) Available-for-sale financial assets are denominated in Singapore dollars and carried at fair value.
- (b) Certain real estate investment trust units with a carrying amount of HK\$176,531,000, HK\$265,398,000 and HK\$187,008,000 as at 31 December 2009, 2010 and 2011 respectively were pledged to secure the Privateco Group's banking facilities.
- (c) An amount due to an investee company of HK\$13,464,000 and HK\$16,646,000 was included in unlisted equity investments as at 31 December 2009 and 2010 respectively. The amount was fully settled during the year ended 31 December 2011.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- (d) The maximum exposure to credit risk at the balance sheet date is the carrying value of the available-for-sale financial assets.

18 HELD-TO-MATURITY INVESTMENTS

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Held-to-maturity investments comprise:			
Unlisted debt and other investments	<u>30,997</u>	<u>37,877</u>	<u>95,087</u>

The movements of held-to-maturity investments are as follows:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Beginning of the year	25,445	30,997	37,877
Translation differences	—	—	(143)
Additions	—	—	48,825
Amortised to the combined income statements (Note 6)	6,052	7,380	9,028
Coupon received	<u>(500)</u>	<u>(500)</u>	<u>(500)</u>
End of the year	<u>30,997</u>	<u>37,877</u>	<u>95,087</u>
Analysed as:			
Current	—	—	29,252
Non-current	<u>30,997</u>	<u>37,877</u>	<u>65,835</u>
	<u>30,997</u>	<u>37,877</u>	<u>95,087</u>

- (a) The carrying amounts of held-to-maturity investments are denominated in the following currencies:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Hong Kong dollars	30,997	37,877	46,405
United States dollars	<u>—</u>	<u>—</u>	<u>48,682</u>
	<u>30,997</u>	<u>37,877</u>	<u>95,087</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- (b) Held-to-maturity investments were not pledged to secure the Privateco Group's banking facilities as at 31 December 2009 and 2010. As at 31 December 2011, certain held-to-maturity investments with a carrying amount of HK\$48,682,000 have been pledged to secure the Privateco Group's banking facilities.
- (c) The maximum exposure to credit risk at the balance sheet dates is the carrying value of the held-to-maturity investments.

19 INVENTORIES

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Finished goods, at cost	<u>—</u>	<u>58</u>	<u>362</u>

20 TRADE AND OTHER RECEIVABLES

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Trade receivables	9,295	7,881	6,397
Less: Provision for impairment of receivables (Note c)	<u>—</u>	<u>—</u>	<u>—</u>
Trade receivables, net of provisions (Note a)	9,295	7,881	6,397
Amortised rent receivables	7,964	18,497	15,333
Other receivables	8,635	4,110	3,135
Deposits	7,872	6,663	6,557
Prepayments	<u>6,003</u>	<u>4,877</u>	<u>4,139</u>
	<u>39,769</u>	<u>42,028</u>	<u>35,561</u>

- (a) Trade receivables represent mainly rent receivables from tenants of the Privateco Group's properties. The Privateco Group maintains a defined policy in respect of rent collection. The credit quality of a new lease or customer is assessed based on a defined policy set by the Privateco Group. Reminders are issued half-monthly when rents are overdue for 15 days, and legal actions will be taken when rents are overdue for two months. The ageing analysis of trade receivables by due date (net of provisions) is as follows:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Current to 30 days	1,717	1,886	1,630
31 to 90 days	6,801	5,299	4,516
Over 90 days	<u>777</u>	<u>696</u>	<u>251</u>
	<u>9,295</u>	<u>7,881</u>	<u>6,397</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

- (b) The trade receivables of HK\$9,295,000, HK\$7,881,000 and HK\$6,397,000 as at 31 December 2009, 2010 and 2011, respectively, were past due but not impaired. These relate to a number of independent customers having good track records and there is no recent history of default, and the majority of the debts are covered by the rental deposits received as set out in note 22.

- (c) The movements of the provision for impairment of trade receivables are as follows:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Beginning of the year	145	—	—
Provision	40	6	—
Receivables written off	<u>(185)</u>	<u>(6)</u>	<u>—</u>
End of the year	<u>—</u>	<u>—</u>	<u>—</u>

- (d) The carrying amounts of trade and other receivables are denominated in the following currencies:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Hong Kong dollars	39,751	42,003	35,504
Singapore dollars	<u>18</u>	<u>25</u>	<u>57</u>
	<u>39,769</u>	<u>42,028</u>	<u>35,561</u>

- (e) The maximum exposure to credit risk at the balance sheet date is the carrying value of each class of receivables mentioned above.

21 CASH AND CASH EQUIVALENTS

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Cash at bank and in hand	33,845	28,763	35,299
Short-term bank deposits	<u>137,760</u>	<u>405,160</u>	<u>611,193</u>
	<u>171,605</u>	<u>433,923</u>	<u>646,492</u>
Maximum exposure to credit risk	<u>171,419</u>	<u>433,773</u>	<u>646,232</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Short-term bank deposits for the years ended 31 December 2009, 2010 and 2011 have an average effective interest rate of 0.09%, 0.8% and 2.05% per annum, respectively, and an average maturity of 9 days, 24 days and 24 days, respectively.

The bank balances and cash are denominated in the following currencies:

	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong dollars	170,121	415,280	637,046
Singapore dollars	672	17,280	7,719
United States dollars	<u>812</u>	<u>1,363</u>	<u>1,727</u>
	<u>171,605</u>	<u>433,923</u>	<u>646,492</u>

22 TRADE AND OTHER PAYABLES AND ACCRUALS

	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	7,449	7,939	8,561
Other payables	188,146	142,157	69,238
Deposits received	60,247	95,851	107,588
Accruals	<u>37,020</u>	<u>23,590</u>	<u>11,255</u>
	<u>292,862</u>	<u>269,537</u>	<u>196,642</u>

The ageing analysis of trade payables is as follows:

	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Current to 30 days	4,980	3,998	6,172
31 to 90 days	1,834	3,620	1,070
Over 90 days	<u>635</u>	<u>321</u>	<u>1,319</u>
	<u>7,449</u>	<u>7,939</u>	<u>8,561</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The carrying amounts of trade and other payables and accruals are denominated in the following currencies:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Hong Kong dollars	289,923	265,408	196,570
Singapore dollars	<u>2,939</u>	<u>4,129</u>	<u>72</u>
	<u>292,862</u>	<u>269,537</u>	<u>196,642</u>

23 DERIVATIVE FINANCIAL INSTRUMENTS

	Assets			Liabilities		
	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Interest rate swap contracts (Note a)						
— cash flow hedges	—	—	—	89,195	108,557	97,778
— not qualifying as hedges	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,888</u>	<u>5,929</u>	<u>7,294</u>
	<u>—</u>	<u>—</u>	<u>—</u>	<u>96,083</u>	<u>114,486</u>	<u>105,072</u>
Derivative component in convertible bonds (Note b)	<u>—</u>	<u>16,000</u>	<u>179</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>—</u>	<u>16,000</u>	<u>179</u>	<u>96,083</u>	<u>114,486</u>	<u>105,072</u>
Analysed as:						
Current	—	—	—	40,821	42,865	42,130
Non-current	<u>—</u>	<u>16,000</u>	<u>179</u>	<u>55,262</u>	<u>71,621</u>	<u>62,942</u>
	<u>—</u>	<u>16,000</u>	<u>179</u>	<u>96,083</u>	<u>114,486</u>	<u>105,072</u>

(a) Interest rate swap contracts

The aggregate notional principal amount of the interest rate swap contracts is HK\$1,000,000,000, HK\$1,000,000,000, and HK\$1,000,000,000 as at 31 December 2009, 2010 and 2011 respectively. The portion of changes in the fair value of interest rate swap contracts not qualifying as hedges are recognised in the combined income statements and amounted to a gain of HK\$63,078,000, a gain of HK\$959,000 and a loss of HK\$1,365,000 for the years ended 31 December 2009, 2010 and 2011 respectively.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(b) Derivative component in convertible bonds

The convertible bonds held as held-to-maturity investments contained conversion and issuer redemption features and the fair value of HK\$16,000,000 and HK\$179,000 as at 31 December 2010 and 2011 were valued by Savills Valuation and Professional Services Limited, an independent professionally qualified valuer. The changes in fair value of the derivative component have resulted in a profit of HK\$16,000,000 and a loss of HK\$15,821,000 being recognised in the combined income statements for the years ended 31 December 2010 and 2011, respectively.

The fair values of the convertible option were estimated as at 31 December 2010 and 2011 using a binomial model, taking into account the relevant terms and conditions upon which the option was granted and the key assumptions as below.

	2010	2011
Expected volatility	35%	26%
Expected dividend yield	4.5%	7%
Expected life of the option	2.42 years	1.42 years
Risk free rate	0.8%	0.3%

The fair value of the issuer redemption option was estimated as at 31 December 2011, based on underlying convertible bonds with quoted market price available.

24 SHORT-TERM BANK LOANS, SECURED

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Bank loans repayable on demand or within one year, secured	225,000	—	278,682
Current portion of long-term bank loans (Note 25)	<u>97,250</u>	<u>126,250</u>	<u>268,000</u>
	<u>322,250</u>	<u>126,250</u>	<u>546,682</u>

The bank loans are denominated in Hong Kong dollars as at 31 December 2009 and 2010. The bank loans are denominated in Hong Kong dollars except for an amount of HK\$48,682,000 which is denominated in United States dollars as at 31 December 2011. As at 31 December 2009 and 2010, the Privateco Group's bank loans are secured by certain investment properties and available-for-sale financial assets with a carrying amount of HK\$8,232,000,000 and HK\$9,152,000,000, HK\$176,531,000 and HK\$265,398,000, respectively. As at 31 December 2011, the Privateco Group's bank loans are secured by certain investment properties, available-for-sale financial assets and held-to-maturity investments of HK\$11,001,000,000, HK\$187,008,000 and HK\$48,682,000, respectively.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

The short-term bank loans have an average effective interest rate of 1.3%, nil% and 1.0% per annum as at 31 December 2009, 2010 and 2011. The carrying amounts of bank loans approximate their fair values. The exposure of the Privateco Group's bank loans to interest-rate changes and the average contractual repricing dates is 6 months or less, 6 months or less and 6 months or less for the years ended 31 December 2009, 2010 and 2011.

25 LONG-TERM BANK LOANS, SECURED

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Bank loans, secured	2,277,500	1,961,850	1,828,100
Less: Amount repayable within one year included under current liabilities (<i>Note 24</i>)	<u>(97,250)</u>	<u>(126,250)</u>	<u>(268,000)</u>
	<u>2,180,250</u>	<u>1,835,600</u>	<u>1,560,100</u>
The bank loans are repayable as follows:			
Within one year	97,250	126,250	268,000
In the second year	150,250	268,000	971,600
In the third to fifth years inclusive	<u>2,030,000</u>	<u>1,567,600</u>	<u>588,500</u>
	<u>2,277,500</u>	<u>1,961,850</u>	<u>1,828,100</u>

The bank loans are denominated in Hong Kong dollars as at 31 December 2009, 2010 and 2011. As at 31 December 2009, 2010 and 2011, the Privateco Group's bank loans are secured by certain investment properties with a carrying amount of HK\$8,232,000,000, HK\$9,152,000,000 and HK\$11,001,000,000 respectively.

The long-term bank loans have an average effective interest rate of 1.1%, 1.4% and 1.4% per annum as at 31 December 2009, 2010 and 2011 respectively. The carrying amounts of bank loans approximate their fair values. The exposure of the Privateco Group's bank loans to interest-rate changes and the average contractual repricing dates is 6 months or less, 6 months or less and 6 months or less for the years ended 31 December 2009, 2010 and 2011.

26 BALANCES WITH REMAINING GROUP ENTITIES AND WINSOR

Amounts receivable from Remaining Group Entities and amounts payable to Winsor are denominated in Hong Kong dollars, unsecured, interest-free and not repayable within 12 months from the balance sheet dates. The carrying amounts of the balances approximate their fair values.

These balances with Remaining Group Entities and Winsor will be settled upon completion of the Group Reorganisation.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

27 DEFERRED TAXATION

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Beginning of the year	10,530	23,453	16,622
Charged/(credited) to the combined income statements (<i>Note 11</i>)	<u>12,923</u>	<u>(6,831)</u>	<u>25,560</u>
End of the year	<u>23,453</u>	<u>16,622</u>	<u>42,182</u>

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 16.5%, 16.5% and 16.5% for the years ended 31 December 2009, 2010 and 2011.

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through the future taxable profits are probable. The Privateco Group has unrecognised tax losses of HK\$69,171,000 for the year ended 31 December 2009 to carry forward against future taxable income. The Privateco Group does not have unrecognised tax losses for the years ended 31 December 2010 and 2011 to carry forward against future taxable income.

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the Relevant Periods is as follows:

Deferred tax assets

	31/12/2009 HK\$'000	Tax losses 31/12/2010 HK\$'000	31/12/2011 HK\$'000
Beginning of the year	26,653	86,799	99,552
Credited/(charged) to the combined income statements	<u>60,146</u>	<u>12,753</u>	<u>(11,360)</u>
End of the year	<u>86,799</u>	<u>99,552</u>	<u>88,192</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Deferred tax liabilities

	Accelerated depreciation		
	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Beginning of the year	37,183	110,252	116,174
Charged to the combined income statements	<u>73,069</u>	<u>5,922</u>	<u>14,200</u>
End of the year	<u><u>110,252</u></u>	<u><u>116,174</u></u>	<u><u>130,374</u></u>

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the combined balance sheets:

	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Deferred tax assets	(4,503)	(10,740)	(1,597)
Deferred tax liabilities	<u>27,956</u>	<u>27,362</u>	<u>43,779</u>
	<u><u>23,453</u></u>	<u><u>16,622</u></u>	<u><u>42,182</u></u>

28 COMBINED CAPITAL

The combined capital presented in the combined balance sheets as at 31 December 2009, 2010 and 2011 represented the combined share capital of companies directly held by the Privateco, details of which are analysed as follows.

	31/12/2009	31/12/2010	31/12/2011
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Dragon Eye Holding Ltd.	—	—	780
Winsor Properties (China) Ltd.	8	8	8
Winsor Properties (Hong Kong) Ltd.	8	8	8
Winsor Properties (Overseas) Ltd.	8	8	8
Winsor Properties Finance Ltd.	<u>2</u>	<u>2</u>	<u>2</u>
	<u><u>26</u></u>	<u><u>26</u></u>	<u><u>806</u></u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

29 RESERVES

	Contributed surplus (Note a) HK\$'000	Investment revaluation reserve HK\$'000	Exchange fluctuation account HK\$'000	Hedging reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 January 2009	(1,810,737)	112,348	7,621	(72,260)	4,432,125	2,669,097
Exchange translation differences	—	—	(138)	—	—	(138)
Fair value gains on available-for-sale financial assets	—	144,519	—	—	—	144,519
Fair value losses on cash flow hedges	—	—	—	(56,621)	—	(56,621)
Realised upon settlement of interest rate swap contracts	—	—	—	39,686	—	39,686
Profit for the year	—	—	—	—	389,869	389,869
Interim dividend paid (Note 12)	—	—	—	—	(80,000)	(80,000)
	—	144,519	(138)	(16,935)	309,869	437,315
At 31 December 2009	(1,810,737)	256,867	7,483	(89,195)	4,741,994	3,106,412
	Contributed surplus (Note a) HK\$'000	Investment revaluation reserve HK\$'000	Exchange fluctuation account HK\$'000	Hedging reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 January 2010	(1,810,737)	256,867	7,483	(89,195)	4,741,994	3,106,412
Exchange translation differences	—	—	59,895	—	—	59,895
Fair value gains on available-for-sale financial assets	—	82,749	—	—	—	82,749
Fair value losses on cash flow hedges	—	—	—	(63,789)	—	(63,789)
Realised upon settlement of interest rate swap contracts	—	—	—	44,427	—	44,427
Profit for the year	—	—	—	—	2,351,875	2,351,875
Interim dividend paid (Note 12)	—	—	—	—	(296,000)	(296,000)
	—	82,749	59,895	(19,362)	2,055,875	2,179,157
At 31 December 2010	(1,810,737)	339,616	67,378	(108,557)	6,797,869	5,285,569

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Contributed surplus (Note a) HK\$'000	Investment revaluation reserve HK\$'000	Exchange fluctuation account HK\$'000	Hedging reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000
At 1 January 2011	(1,810,737)	339,616	67,378	(108,557)	6,797,869	5,285,569
Exchange translation differences	—	—	(5,627)	—	—	(5,627)
Exchange differences released upon repayment of loans from an associated company	—	—	(44,122)	—	—	(44,122)
Fair value losses on available-for-sale financial assets	—	(128,185)	—	—	—	(128,185)
Fair value losses on cash flow hedges	—	—	—	(33,326)	—	(33,326)
Realised upon settlement of interest rate swap contracts	—	—	—	44,105	—	44,105
Share of hedging reserve of an associated company	—	—	—	(3,174)	—	(3,174)
Profit for the year	—	—	—	—	2,326,073	2,326,073
Partial disposal of interest in a subsidiary (Note b)	(632)	—	—	—	—	(632)
Interim dividend paid (Note 12)	—	—	—	—	(305,000)	(305,000)
	(632)	(128,185)	(49,749)	7,605	2,021,073	1,850,112
At 31 December 2011	(1,811,369)	211,431	17,629	(100,952)	8,818,942	7,135,681

Note a: Contributed surplus represented the difference between interests in subsidiaries in the books of intermediate holding companies including Winsor Properties (Hong Kong) Limited, Winsor Properties (China) Limited and Winsor Properties (Overseas) Limited (note 35) and the share capital of their respective subsidiaries arising from the preparation of the combined financial statements. During the Relevant Periods, interest in subsidiaries were financed by intercompany loan from Winsor. As part of the Group Reorganisation, the intercompany loan together with the contributed surplus will be settled upon the completion of the Group Reorganisation (note 1(b)).

Note b: Reserve arose from the partial disposal of interest in a subsidiary that do not result in a loss of control by the Privateco Group, and represented the difference between the amount by which the non-controlling interest was adjusted (to reflect the changes in the interest in the subsidiary) and the fair value of the consideration received.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

30 FUTURE LEASE RECEIPTS

Future minimum lease receipts under non-cancellable operating leases are as follows:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Not later than one year	244,782	342,856	387,796
Later than one year and not later than five years	306,842	606,563	593,154
Later than five years	—	—	9,374
	<u>551,624</u>	<u>949,419</u>	<u>990,324</u>

31 CAPITAL COMMITMENTS

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Investments in associated companies Contracted but not provided for	<u>484,425</u>	<u>—</u>	<u>—</u>

32 LEASE COMMITMENTS

The Privateco Group had future aggregate minimum lease payments under non-cancellable operating leases for land and buildings as follows:

	31/12/2009 HK\$'000	31/12/2010 HK\$'000	31/12/2011 HK\$'000
Not later than one year	1,969	3,510	1,755
Later than one year and not later than five years	<u>—</u>	<u>1,755</u>	<u>—</u>
	<u>1,969</u>	<u>5,265</u>	<u>1,755</u>

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

33 FINANCIAL GUARANTEE CONTRACTS

The face value of the financial guarantees issued by the Privateco Group is analysed as follows:

	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Guarantees given in respect of banking facilities granted to Remaining Group Entities	<u>125,000</u>	<u>125,000</u>	<u>125,000</u>

- (i) The directors of Privateco consider that it is not probable for a claim to be made against the Privateco Group under any of these guarantees as at the balance sheet dates. All of the financial guarantee contracts as disclosed above have not been recognised in the Financial Information of the Privateco Group as the directors of the Privateco consider that the fair values of these contracts are not significant to the Privateco Group.
- (ii) The Privateco Group has executed guarantees in favour of banks in respect of facilities granted to Remaining Group Entities amounting to HK\$125,000,000, HK\$125,000,000 and HK\$125,000,000, of which no amount was utilised by Remaining Group Entities during the Relevant Periods.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

34 NOTES TO THE COMBINED CASH FLOW STATEMENTS

(a) Reconciliation of profit before taxation to net cash from operations

	Year ended		
	31/12/2009	31/12/2010	31/12/2011
	HK\$'000	HK\$'000	HK\$'000
Profit before taxation	412,505	2,368,244	2,359,681
Gain on bargain purchase	—	—	(69,387)
Share of profits less losses of associated companies	3,098	(300,288)	(151,221)
Finance costs	63,770	73,605	72,388
Finance income	(45)	(406)	(5,671)
Amortised income from held-to-maturity investments	(6,052)	(7,380)	(9,028)
Depreciation of property, plant and equipment	2,338	2,252	2,593
Dividend income from available-for-sale financial assets	(27,186)	(23,776)	(36,010)
Exchange differences released upon repayment of loans from an associated company	—	—	(44,122)
Fair value (gains)/losses on derivative financial instruments	(63,078)	(16,959)	17,186
Gains on disposals of investment properties	—	(146,462)	—
(Gains)/losses on disposals of property, plant and equipment	(2)	101	(11)
Increase in fair value of investment properties	(279,300)	(1,727,118)	(1,855,219)
Interest income from held-to-maturity investments	—	—	(617)
Interest income on loans to associated companies	(8,464)	(9,387)	(3,177)
Realised gain on available-for-sale financial assets	(610)	—	—
Operating profit before working capital changes	96,974	212,426	277,385
Decrease/(increase) in trade and other receivables	4,970	(2,216)	7,680
Increase in inventories	—	(58)	(304)
(Increase)/decrease in amounts receivable from the Remaining Group Entities	(123,863)	(158,488)	191,796
Increase/(decrease) in trade and other payables and accruals	52,180	(23,525)	(62,123)
Net cash from operations	30,261	28,139	414,434

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

(b) Major non-cash transactions

- (i) During the years ended 31 December 2009, 2010 and 2011, the Privateco Group's dividend payable to Winsor of HK\$80,000,000, HK\$296,000,000 and HK\$305,000,000 respectively were settled by amounts payable to Winsor.
- (ii) During the year ended 31 December 2011, the Privateco Group's amounts due to associated companies of HK\$193,734,000 were settled by dividends distributed by the associated companies.
- (iii) During the year ended 31 December 2011, the Privateco Group's amount due to an investee company of HK\$16,646,000 was settled by dividend distributed by the investee company.

35 PARTICULARS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

(a) Subsidiaries

The Privateco Group had direct/indirect interests in the following subsidiaries:

Name of subsidiary	Place of incorporation	Principal activities	Particulars of issued share capital	Percentage of shareholding held at 31 December by the Privateco Group			Note
				2009	2010	2011	
Dragon Eye Holding Ltd.	Cayman Islands	Investment holding	Ordinary: US\$100	—	—	100	5, 10
Winsor Properties Finance Ltd.	Hong Kong	Group finance company	Ordinary: HK\$2	100	100	100	1, 10
Winsor Properties (Hong Kong) Ltd.	British Virgin Islands ("B.V.I.")	Investment holding	Ordinary: US\$1	100	100	100	4, 10
Adam Knitters Ltd.	Hong Kong	Property investment	Ordinary: HK\$1,000 Deferred: HK\$200,000	100	100	100	1
Allied Effort Ltd.	B.V.I.	Investment holding	Ordinary: US\$1	100	100	100	4
Winnion Ltd.	Hong Kong	Property investment	Ordinary: HK\$100	100	100	100	1
Baudinet Investment Ltd.	Hong Kong	Property investment	Ordinary: HK\$18 Deferred: HK\$2	100	100	100	1
Begin Land Ltd.	Hong Kong	Property investment	Ordinary: HK\$90,000 Deferred: HK\$10,000	100	100	100	1
Congenial Investments Ltd.	B.V.I.	Investment	Ordinary: US\$1	100	100	100	5

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Name of subsidiary	Place of incorporation	Principal activities	Particulars of issued share capital	Percentage of shareholding held at 31 December by the Privateco Group			Note
				2009	2010	2011	
East Sun Estate Management Company Ltd.	Hong Kong	Property management	Ordinary: HK\$200	100	100	100	1
East Sun Textile Company, Ltd.	Hong Kong	Dormant	Ordinary: HK\$20 Deferred: HK\$15,000,000	100	100	100	1
Grandeur Investments Ltd.	B.V.I.	Property investment	Ordinary: US\$1	100	100	100	4
Hilwin Properties Ltd.	Hong Kong	Investment holding and treasury investment	Ordinary: HK\$450,000 Deferred: HK\$50,000	100	100	100	1
Winsor Storage Ltd.	Hong Kong	Wine storage	Ordinary: HK\$10,000	100	100	100	1
Honest Bond Ltd.	Hong Kong	Dormant	Ordinary: HK\$1	—	100	100	9
Libro Estates Ltd.	Hong Kong	Dormant	Ordinary: HK\$90,000 Deferred: HK\$10,000	100	100	100	1
Unimix Properties Ltd.	Hong Kong	Dormant	Ordinary: HK\$200	100	100	100	1
Winner Godown Ltd.	Hong Kong	Godown operation	Ordinary: HK\$1,500,000	70	70	70	1
Winsor Air Cargo Centre Ltd.	Hong Kong	Dormant	Ordinary: HK\$20	100	100	100	1
Winsor Billion Management Ltd.	Hong Kong	Property management	Ordinary: HK\$10	100	100	80	1
Winsor Estate Agents Ltd.	Hong Kong	Property agent	Ordinary: HK\$20	100	100	100	1
Winsor Estate Management Ltd.	Hong Kong	Property management	Ordinary: HK\$2	100	100	100	1
Zofka Properties Ltd.	Hong Kong	Property investment	Ordinary: HK\$90,000 Deferred: HK\$10,000	100	100	100	1
Winsor Properties (Overseas) Ltd.	B.V.I.	Investment holding	Ordinary: US\$1	100	100	100	5, 10
Zak Holdings Ltd.	B.V.I.	Investment holding	Ordinary: US\$1	100	100	100	5
Winwin Investment Pte. Ltd.	Singapore	Dormant	Ordinary: SG\$2	100	100	100	3
Curlew International Ltd.	B.V.I.	Investment holding	Ordinary: US\$1	100	100	100	5

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Name of subsidiary	Place of incorporation	Principal activities	Particulars of issued share capital	Percentage of shareholding held at 31 December by the Privateco Group			Note
				2009	2010	2011	
Winprop Pte. Ltd.	Singapore	Investment holding	Ordinary: SG\$2	100	100	100	3
Winsor Properties (China) Ltd.	B.V.I.	Investment holding	Ordinary: US\$1	100	100	100	5, 10
Dhandia Ltd.	Hong Kong	Investment holding	Ordinary: HK\$1,000	100	100	100	1
Tat Yeung Properties Investment Ltd.	B.V.I.	Investment holding	Ordinary: US\$1,000	100	100	100	5

(b) Associated companies

Name of associated company	Place of incorporation	Principal activities	Particulars of issued share capital	Percentage of shareholding held at 31 December by the Privateco Group			Note
				2009	2010	2011	
China Merchants Cold Chain Logistics (China) Co., Ltd.	B.V.I.	Investment holding	Ordinary: US\$1,000	30	30	30	5
China Merchants Cold Chain Logistics (Hong Kong) Co. Ltd. (<i>Note b</i>)	Hong Kong	Investment holding	Ordinary: HK\$1	30	30	30	1
China Merchants International Cold Chain (Shenzhen) Co. Ltd. (foreign wholly-owned enterprise)	Mainland China	Cold storage	Ordinary: US\$5,000,000	30	30	30	2
Fore Prosper Ltd.	Hong Kong	Property investment	Ordinary: HK\$100	—	—	40	1
Javary Ltd.	Hong Kong	Property investment	Ordinary: HK\$300	33.3	33.3	33.3	6
Pangold Development Ltd.	Hong Kong	Property development	Ordinary: HK\$100	20	20	20	1
Suzhou World Trade Centre	Mainland China	Property investment	Ordinary: US\$6,500,000	24.8	24.8	24.8	7
Tat Yeung Trading Company Ltd.	B.V.I.	Investment holding	Ordinary: US\$2	50	50	50	5
Universal Plus Ltd.	B.V.I.	Investment holding	Ordinary: US\$100	20	20	20	4
Winquest Investment Pte. Ltd.	Singapore	Property development	Ordinary: SG\$1,000,000	30	30	30	8
Winwill Investment Pte Ltd.	Singapore	Investment holding	Ordinary: SG\$:10	20	20	20	8

- The statutory financial statements of these subsidiaries/associated companies for the years ended 31 December 2009, 2010 and 2011 were prepared in accordance with Hong Kong Financial Reporting Standards and audited by PricewaterhouseCoopers, Hong Kong.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

2. The statutory financial statements of this associated company for the years ended 31 December 2009, 2010 and 2011 were audited by PricewaterhouseCoopers, Zhong Tian CPAs Company Limited. All these audited financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises in the PRC.
3. The statutory financial statements of these subsidiaries/associated companies for the years ended 31 December 2009, 2010 and 2011 were audited by MGI Singapore PAC. All these audited financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises in Singapore.
4. The non-statutory financial statements of these subsidiaries/associated companies for the years ended 31 December 2009, 2010 and 2011 were prepared in accordance with Hong Kong Financial Reporting Standards and audited by PricewaterhouseCoopers, Hong Kong.
5. No audited financial statements were issued for these subsidiaries/associated companies as they are not required under the statutory requirements of their places of incorporation.
6. The statutory financial statements of this associated company for the years ended 31 December 2009, 2010 and 2011 were prepared in accordance with Hong Kong Financial Reporting Standards and audited by Shinewing (HK) CPA Limited.
7. The statutory financial statements of this associated company was audited by Shu Lun Pan Certified Public Accountants Co., Ltd. for the year ended 31 December 2009 and BDO China Shu Lun Pan CPAs LLP Jiangsu Jiangnan Branch for the years ended 31 December 2010 and 2011. All these audited financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprises in the PRC.
8. The statutory financial statements of these associated companies for the years ended 31 December 2009, 2010 and 2011 were audited by PricewaterhouseCoopers LLP. All these financial statements were prepared in accordance with the relevant accounting principles and financial regulations applicable to enterprise in Singapore.
9. The statutory financial statements of the subsidiary was not yet issued as it was incorporated on 25 February 2011.
10. These subsidiaries were directly held by Winsor.

III SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by Privateco or any of its subsidiaries in respect of any period subsequent to 31 December 2011 up to the date of this report. No dividend or distribution has been declared or made by the Privateco or any of its subsidiaries in respect of any period subsequent to 31 December 2011.”

3. STATEMENT OF INDEBTEDNESS

Borrowings

As at the close of business on 30 April 2012 (being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Composite Document), the Privateco Group had total outstanding borrowings of approximately HK\$1,975.1 million, comprising secured bank loans of approximately HK\$1,876.8 million and the fair value of derivative financial instruments liabilities of approximately HK\$98.3 million in relation to interest rate swap contracts with aggregate notional principal amount of HK\$1,000 million.

APPENDIX II FINANCIAL INFORMATION ON THE PRIVATECO GROUP

As at 30 April 2012, the Privateco Group has not issued any debt securities and have no other liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments.

Contingent liabilities

As at 30 April 2012, the Privateco Group was contingently liable for a guarantee of HK\$125.0 million executed in favour of banks for banking facilities granted to Remaining Group Entities.

Securities and charges

As at 30 April 2012, certain of the Privateco Group's investment properties, available-for-sale financial assets and held-to-maturity investments with carrying values of approximately HK\$11,038.0 million, HK\$239.1 million and HK\$64.2 million, respectively were pledged to secure bank loans and credit facilities for the Privateco Group.

General

Save as aforesaid or as otherwise disclosed herein and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, the Privateco Group did not at the close of business on 30 April 2012, have any outstanding debt securities, other liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments, and loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness (whether guaranteed, unguaranteed, secured or unsecured), mortgages, charges or debentures, guarantees or other material contingent liabilities.

The Privateco Directors have confirmed that there has not been any other material change in the indebtedness and contingent liabilities of the Privateco Group since 30 April 2012 except for the Transactions.

4. MATERIAL CHANGE

Save for the effects of the Group Reorganisation and the Distribution In Specie and that the Privateco Group is only engaged in the Distributed Businesses pursuant to the completion of the Group Reorganisation and Distribution In Specie, the Privateco Directors confirm that there have been no material changes in the financial or trading position or outlook of the Privateco Group subsequent to 31 December 2011, being the date to which the latest audited combined financial statements of the Privateco Group set out in this Appendix were made up, up to the Latest Practicable Date.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE PRIVATECO GROUP AND THE ACCOUNTANTS' REPORT THEREON

The following is the unaudited pro forma financial information of the Privateco Group and the accountant's report on the unaudited pro forma financial information of the Privateco Group reproduced from Appendix VI to the Wing Tai Circular. Capitalised terms used in this section shall have the same meaning as those defined in the Wing Tai Circular.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

“A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE PRIVATECO GROUP

The following is illustrative and unaudited pro forma financial information of the Privateco Group (the “Unaudited Pro Forma Financial Information”), comprising the unaudited pro forma combined balance sheet, the unaudited pro forma combined income statement, the unaudited pro forma combined statement of comprehensive income and the unaudited pro forma combined cash flow statement of the Privateco Group, which have been prepared to illustrate the effect of the proposed Group Reorganisation, Distribution In Specie and the payment of Special Cash Dividend (together, the “Transactions”) as if they had taken place on 31 December 2011 for the unaudited pro forma combined balance sheet and on 1 January 2011 for the unaudited pro forma combined income statement, the unaudited pro forma combined statement of comprehensive income and the unaudited pro forma combined cash flow statement.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company and Winsor for illustrative purposes only and because of its hypothetical nature, it may not give a true picture of the financial position, results of operations and cash flow of the Privateco Group had the Transactions been completed as at 31 December 2011 or 1 January 2011 where applicable, or any future dates.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Unaudited pro forma combined balance sheet of the Privateco Group

	Audited combined balance sheet of the Privateco Group as at 31 December 2011	Pro forma adjustment									Unaudited pro forma combined balance sheet of the Privateco Group
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note 1)	(Note 2)	(Note 3(i))	(Note 3(ii))	(Note 3(iii))	(Note 4)	(Note 5)	(Note 6(i))	(Note 6(ii))	(Note 6(iii))	
Non-current assets											
Property, plant and equipment	8,930										8,930
Investment properties	11,027,830	10,750									11,038,580
Interests in associated companies	696,144										696,144
Amounts and loans receivable from associated companies	39,369										39,369
Available-for-sale financial assets	319,402										319,402
Held-to-maturity investments	65,835										65,835
Deferred tax assets	1,597										1,597
Derivative financial instruments	179										179
	<u>12,159,286</u>										<u>12,170,036</u>
Currents assets											
Inventories	362										362
Trade and other receivables	35,561										35,561
Amounts receivable from the Remaining Group Entities	181,942	(10,750)	24,675					(195,867)			—
Held-to-maturity investments	29,252										29,252
Tax recoverable	435										435
Bank balances and cash	646,492	(35,099)	(32,498)	(21,594)	(14,305)	(115,000)	(324,684)				103,312
	<u>894,044</u>										<u>168,922</u>
Current liabilities											
Trade and other payables and accruals	196,642										196,642
Short-term bank loans, secured	546,682					(30,000)					516,682
Derivative financial instruments	42,130										42,130
Tax payable	25,982										25,982
	<u>811,436</u>										<u>781,436</u>
Net current assets/(liabilities)	<u>82,608</u>										<u>(612,514)</u>
Total assets less current liabilities	<u>12,241,894</u>										<u>11,557,522</u>

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Audited combined balance sheet of the Privateco Group as at 31 December 2011	Pro forma adjustment								Unaudited pro forma combined balance sheet of the Privateco Group
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Note 1)	(Note 2)	(Note 3(i))	(Note 3(ii))	(Note 3(iii))	(Note 4)	(Note 5)	(Note 6(i))	(Note 6(ii))	(Note 6(iii))
Non-current liabilities										
Long-term bank loans, secured	1,560,100									1,560,100
Amounts payable to Winsor	3,413,622						(324,684)	(195,867)	(2,893,072)	1
Amounts and loans payable to associated companies	23,552									23,552
Derivative financial instruments	62,942									62,942
Deferred tax liabilities	43,779									43,779
	<u>5,103,995</u>									<u>1,690,373</u>
 Net assets	 <u>7,137,899</u>									 <u>9,867,149</u>
 Combined capital/share capital	 1								2,596	(1) 2,596
Reserves	<u>7,135,681</u>	(35,099)	(7,823)	(21,594)	(14,305)	(85,000)			2,890,476	<u>9,862,336</u>
 Equity attributable to shareholders of the Privateco	 7,135,682									 9,864,932
Non-controlling interests	<u>2,217</u>									<u>2,217</u>
 Total equity	 <u>7,137,899</u>									 <u>9,867,149</u>

Notes:

1. The amounts are extracted from the audited combined balance sheet set out in the Accountant's Report of the Privateco Group as at 31 December 2011 as set out in Section I of the Appendix II of this circular.
2. Pursuant to the Group Reorganisation, the adjustments represent:
 - (i) the transfer of properties at fair values comprising (i) units 505-510, 5/F, Tower B, Regent Centre ("Regent Centre Units") amounted to HK\$10,650,000 and (ii) one car parking space located at Landmark East amounted to HK\$100,000, from the Remaining Group Entities to the Privateco Group;
 - (ii) the declaration of dividend of HK\$35,099,000 by the Privateco Group to Winsor.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

3. Pursuant to the Group Reorganisation, the adjustments represent:

- (i) settlement of the amount payable to WPFSL of HK\$24,675,000 which will finance WPFSL to repay its shareholder loan to Parex, the non-controlling interest in WPFSL, and the declaration and payment of cash dividend to Winsor of HK\$7,823,000, which will be advanced by Winsor to WPFSL for its settlement of its shareholder loan to Parex.
- (ii) the declaration and payment of cash dividend by the Privateco Group to Winsor of HK\$21,594,000, which will be advanced by Winsor to WPFSL for its payment of dividend to Parex.
- (iii) the declaration and payment of cash dividend by the Privateco Group to Winsor of HK\$14,305,000, which will be advanced by Winsor to the Remaining Holdco for the acquisition of the outstanding 4.76% minority interest in WPFSL from Parex.

The consideration of HK\$14,305,000 is calculated by 4.76% of the consolidated net assets value of WPFSL and Chericourt of HK\$753,930,000 at 31 December 2011 after the distribution of dividends of HK\$453,486,000 from WPFSL to shareholders. Since the consolidated net assets value of WPFSL and Chericourt upon completion of the Group Reorganisation may be different from its respective value used in the Unaudited Pro Forma Financial Information, the final amount of the consideration may be different from the amount presented above.

4. The adjustment represents repayment of bank loans entered into by the subsidiaries of the Privateco Group of HK\$30,000,000, which were secured by the assets of the Remaining Group Entities and the declaration and cash dividend by the Privateco Group to Winsor of HK\$85,000,000, which will finance the Remaining Group for the full repayment of bank loans entered into by the subsidiaries of the Remaining Holdco.
5. The adjustment represents the cash advance to Winsor for the payments of the final dividend of Winsor of HK\$122,052,000 for the year ended 31 December 2011 and the Special Cash Dividend of HK\$202,632,000 to the Winsor's shareholders, which is calculated on the basis of HK\$0.7803 per share and 259,685,288 shares of Winsor in issue.

6. Pursuant to the Group Reorganisation, the adjustments represent:

- (i) the transfer of amounts receivable from the Remaining Group Entities by the Privateco Group of HK\$195,867,000 to Winsor.
- (ii) The outstanding payable to Winsor by the Privateco Group of HK\$2,663,973,000 is assumed by the Privateco Group comprising Winsor Properties (Hong Kong) Limited, Winsor Properties (Overseas) Limited and Winsor Properties (China) Limited to Winsor by issuing ordinary shares.

The Privateco thereafter acquires the Distributed Businesses at a consideration of HK\$2,893,071,000 which represents the carrying value of the Distributed Business as of the date of transfer by issuing ordinary shares of 259,685,287 of HK\$0.01 each totaling HK\$2,596,000. The share premium of HK\$2,890,476,000 is recognised in the reserves of the Privateco Group.

- (iii) the elimination of the combined share capital of HK\$1,000 of the subsidiaries directly held by the Privateco.
7. No other adjustment has been made to reflect any trading result or other transaction of the Privateco Group entered into subsequent to 31 December 2011.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Unaudited pro forma combined income statement of the Privateco Group

	Audited combined income statement of the Privateco Group for the year ended 31 December 2011	Pro forma adjustments			Unaudited pro forma combined income statement of the Privateco Group
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(Note 1)</i>	<i>(Note 2(i))</i>	<i>(Note 4(ii))</i>		
Revenue	414,824	559			415,383
Cost of sales	<u>(94,062)</u>	(155)			<u>(94,217)</u>
Gross profit	320,762				321,166
Other income	45,755				45,755
Leasing and marketing expenses	(8,768)				(8,768)
Administrative expenses	(42,420)				(42,420)
Increase in fair value of investment properties	1,855,219	1,000			1,856,219
Other gains, net	<u>35,242</u>				<u>35,242</u>
Operating profit	2,205,790				2,207,194
Finance income	5,671				5,671
Finance costs	<u>(72,388)</u>		194		<u>(72,194)</u>
	2,139,073				2,140,671
Share of profits less losses of associated companies	151,221				151,221
Gain on bargain purchase	<u>69,387</u>				<u>69,387</u>
Profit before taxation	2,359,681				2,361,279
Taxation charge	<u>(32,954)</u>	(88)	(32)		<u>(33,074)</u>
Profit for the year	<u>2,326,727</u>				<u>2,328,205</u>
Attributable to:					
Shareholders of the Privateco	2,326,073	1,316	162		2,327,551
Non-controlling interests	<u>654</u>				<u>654</u>
	<u>2,326,727</u>				<u>2,328,205</u>

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Unaudited pro forma combined statement of comprehensive income of the Privateco Group

	Audited combined statement of comprehensive income of the Privateco Group for the year ended 31 December	Pro forma adjustments			Unaudited pro forma combined statement of comprehensive income of the Privateco Group
	2011	Pro forma adjustments			
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>		<i>HK\$'000</i>
	<i>(Note 1)</i>	<i>(Note 2(i))</i>	<i>(Note 4(ii))</i>		
Profit for the year	<u>2,326,727</u>	1,316	162		<u>2,328,205</u>
Other comprehensive (loss)/income					
Exchange translation differences	(5,627)				(5,627)
Exchange differences released upon repayment of loans from an associated company	(44,122)				(44,122)
Fair value losses on available-for-sale financial assets	(128,185)				(128,185)
Cash flow hedges					
— Fair value losses	(33,326)				(33,326)
— Realised upon settlement	44,105				44,105
Share of hedging reserve of an associated company	<u>(3,174)</u>				<u>(3,174)</u>
Other comprehensive loss for the year, net of tax	<u>(170,329)</u>				<u>(170,329)</u>
Total comprehensive income for the year	<u>2,156,398</u>	1,316	162		<u>2,157,876</u>
Attributable to:					
Shareholders of the Privateco	2,155,744	1,316	162		2,157,222
Non-controlling interests	<u>654</u>				<u>654</u>
	<u>2,156,398</u>				<u>2,157,876</u>

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Unaudited pro forma combined cash flow statement of the Privateco Group

	Audited combined cash flow statement of the Privateco Group for the year ended 31 December 2011	Pro forma adjustments				Unaudited pro forma combined cash flow statement of the Privateco Group
	HK\$'000 (Note 1)	HK\$'000 (Note)	HK\$'000 (Note)	HK\$'000 (Note)	HK\$'000 (Note)	HK\$'000
Profit before taxation	2,359,681	1,404	2(i)		194	4(ii) 2,361,279
Gain on bargain purchase	(69,387)					(69,387)
Share of profits less losses of associated companies	(151,221)					(151,221)
Finance costs	72,388				(194)	4(ii) 72,194
Finance income	(5,671)					(5,671)
Amortised income from held-to-maturity investments	(9,028)					(9,028)
Depreciation of property, plant and equipment	2,593					2,593
Dividend income from available-for-sale financial assets	(36,010)					(36,010)
Exchange differences released upon repayment of loans from an associated company	(44,122)					(44,122)
Fair value losses on derivative financial instruments	17,186					17,186
Gain on disposal of property, plant and equipment	(11)					(11)
Increase in fair value of investment properties	(1,855,219)	(1,000)	2(i)			(1,856,219)
Interest income from held-to-maturity investments	(617)					(617)
Interest income on loans to associated companies	(3,177)					(3,177)
Operating profit before working capital changes	277,385					277,789
Decrease in trade and other receivables	7,680					7,680
Increase in inventories	(304)					(304)
Decrease in amounts receivable from the Remaining Group Entities	191,796			(24,675)	3(i)	167,121
Decrease in trade and other payables and accruals	(62,123)					(62,123)
Net cash from operations	414,434					390,163

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Audited combined cash flow statement of the Privateco Group for the year ended 31 December 2011	Pro forma adjustments				Unaudited pro forma combined cash flow statement of the Privateco Group
	HK\$'000 (Note 1)	HK\$'000 (Note)	HK\$'000 (Note)	HK\$'000 (Note)	HK\$'000 (Note)	
Net cash from operations	414,434					390,163
Interest paid	(72,219)				194 4(ii)	(72,025)
Hong Kong profits tax paid	(19,778)	(67)	2(i)		(32) 4(ii)	(19,877)
Overseas tax paid	(288)					(288)
Net cash from operating activities	<u>322,149</u>					<u>297,973</u>
Investing activities						
Purchase of property, plant and equipment	(286)					(286)
Additions to investment properties	(5,713)					(5,713)
Proceeds from disposals of property, plant and equipment	3					3
Income received from held-to-maturity investments	1,117					1,117
Bank interest received	4,458					4,458
Dividends received from available-for-sale financial assets	18,989					18,989
Amounts repaid by associated companies	325,408					325,408
Amounts advanced by associated companies	21,103					21,103
Dividends received from associated companies	76,243					76,243
Acquisitions of held-to-maturity investments	(48,825)					(48,825)
Acquisition of interests in an associated company	(229,097)					(229,097)
Amount advanced by an investee company	<u>111</u>					<u>111</u>
Net cash from investing activities	<u>163,511</u>					<u>163,511</u>

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

	Audited combined cash flow statement of the Privateco Group for the year ended 31 December 2011						Pro forma adjustments						Unaudited pro forma combined cash flow statement of the Privateco Group
	HK\$'000	HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000	
	(Note 1)		(Note)		(Note)		(Note)		(Note 5)				
Financing activities													
New short-term bank loans	513,825											513,825	
Repayment of long-term bank loans	(133,750)											(133,750)	
Repayment of short-term bank loans	(235,000)					(30,000)	4(i)					(265,000)	
Amounts advanced from the Remaining Group	(418,319)			(7,823)	3(i)				(324,684)			(743,003)	
				(21,594)	3(ii)								
Dividends paid	—	(35,099)	2(ii)	(14,305)	3(iii)	(85,000)	4(i)					(163,821)	
Dividends paid to non-controlling shareholders	(523)											(523)	
Net cash used in financing activities	<u>(273,767)</u>											<u>(792,272)</u>	
Net increase in cash and cash equivalents	211,893											(330,788)	
Cash and cash equivalents at beginning of the year	433,923											433,923	
Effect of foreign exchange rate changes	676											676	
Cash and cash equivalents at end of the year	<u>646,492</u>											<u>103,811</u>	
Analysis of cash and cash equivalents													
Bank balances and cash	646,492	(34,762)		(68,397)		(114,838)			(324,684)			103,811	

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Notes:

1. The amounts are extracted from the audited combined income statement, audited combined consolidated statement of comprehensive income and combined cash flow statement of the Privateco Group set out in the Accountant's Report of the Privateco Group for the year ended 31 December 2011 as set out in the Appendix II of this circular.
2. Pursuant to the Group Reorganisation, the adjustments represent:
 - (i) the inclusion of income and expenses and the income tax and deferred tax expenses in relation to Regent Centre Units and the car parking space for the year ended 31 December 2011 upon transfer of such properties to the Privateco Group.
 - (ii) the declaration of dividend of HK\$35,099,000 by the Privateco Group to Winsor.
3. The adjustments represent:
 - (i) settlement of the amount payable to WPFSL of HK\$24,675,000 which will finance WPFSL to repay its shareholder loan to Parex, the non-controlling interest in WPFSL; and the declaration and payment of cash dividend to Winsor of HK\$7,823,000, which will be advanced by Winsor to WPFSL for its settlement of its shareholder loan to Parex.
 - (ii) the declaration and payment of cash dividend by the Privateco Group to Winsor of HK\$21,594,000, which will be advanced by Winsor to WPFSL for its payment of dividend to Parex.
 - (iii) the declaration and payment of cash dividend by the Privateco Group to Winsor of HK\$14,305,000, which will be advanced by Winsor to the Remaining Holdco for the acquisition of the outstanding 4.76% minority interest in WPFSL from Parex. Since the consolidated net assets value of WPFSL and Chericourt on the completion of the Reorganisation may be different from its respective value used in the Unaudited Pro Forma Financial Information, the final amount of the consideration may be different from the amount presented above.
4. Pursuant to the Group Reorganisation, the adjustment represents:
 - (i) The adjustment represents repayment of bank loans entered into by the subsidiaries of the Privateco Group of HK\$30,000,000 and the declaration and cash dividend by the Privateco Group to Winsor of HK\$85,000,000, which will finance the Remaining Group for the repayment of all the bank loans entered into by the subsidiaries of the Remaining Holdco.
 - (ii) The corresponding finance costs of the aforementioned bank loan would have been reduced by HK\$194,000 for the year ended 31 December 2011 as if the outstanding bank borrowings had been fully settled as at 1 January 2011 and the associated impact on the taxation charge would be increased by HK\$32,000.
5. The adjustment represents cash advance to Winsor for the payments of the final dividend of Winsor of HK\$122,052,000 for the year ended 31 December 2011 and the Special Cash Dividend of HK\$202,632,000 to Winsor's shareholders for 259,685,288 shares of Winsor in issue calculated on the basis of HK\$0.7803 per every share, as part of the Group Reorganisation.
6. No other adjustment has been made to reflect any trading result or other transaction of the Privateco Group entered into subsequent to 31 December 2011.

B. LETTER FROM THE REPORTING ACCOUNTANT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

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



羅兵咸永道

ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION TO THE DIRECTORS OF WING TAI PROPERTIES LIMITED

We report on the unaudited pro forma financial information set out on pages VI—1 to VI—10 under the heading of “Unaudited Pro Forma Financial Information of the Privateco Group” (the “Unaudited Pro Forma Financial Information”) in Appendix VI to the circular dated 20 June 2012 (the “Circular”) of Wing Tai Properties Limited (the “Company”), in connection with, among others, the proposed group reorganisation, proposed distribution in specie and proposed payment of special cash dividend (together, the “Proposed Transactions”) by Winsor Properties Holdings Limited (“Winsor”). The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company and Winsor, for illustrative purposes only, to provide information about how the Proposed Transactions might have affected the relevant financial information of the Privateco and its subsidiaries (hereinafter collectively referred to as the “Privateco Group”). The basis of preparation of the Unaudited Pro Forma Financial Information is set out on pages VI—1 to VI—10 of the Circular.

Respective Responsibilities of Directors of the Company and Winsor and the Reporting Accountant

It is the responsibility solely of the directors of the Company and Winsor to prepare 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 Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form 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.

*PricewaterhouseCoopers, 22/F Prince's Building, Central, Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com*

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the audited combined balance sheet of the Privateco as at 31 December 2011, the audited combined income statement, the audited combined statement of comprehensive income and the audited combined cash flow statement of the Privateco for the year ended 31 December 2011 as set out in the “Unaudited Pro forma Financial Information of the Privateco Group” section of this circular with the audited financial statements of the Privateco for the year ended 31 December 2011 as set out in the 2011 accountant’s report of the Privateco Group, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company and Winsor.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company and Winsor on the basis stated, that such basis is consistent with the accounting policies of the Privateco Group and that 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.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgements and assumptions of the directors of the Company and Winsor, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Privateco Group as at 31 December 2011 or any future date, or
- the results and cash flows of the Privateco Group for the year ended 31 December 2011 or any future periods.

APPENDIX III UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE PRIVATECO GROUP

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company and Winsor on the basis stated;
- (b) such basis is consistent with the accounting policies of the Privateco 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.

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 20 June 2012”

Set out in this Appendix IV is the text of reports prepared for the purpose of incorporation in the Wing Tai Circular and this Composite Document received from:

- (a) Savills Valuation and Professional Services Limited, an independent valuer, in connection with its valuation as at 30 April 2012 of the market value of Lanson Place Hotel, a property situated at 133 Leighton Road, Causeway Bay, Hong Kong;*
- (b) B.I. Appraisals Limited, an independent valuer, in connection with its valuation as at 30 April 2012 of the market value of Peng Chau Lot No. 1 and various lots in Demarcation District Nos. 6, 310, 311 and 326, Lantau Island;*
- (c) Jones Lang LaSalle Limited, an independent valuer, in connection with its valuation as at 30 April 2012 of the market value of various properties in Hong Kong and the PRC; and*
- (d) CBRE Pte. Ltd., an independent valuer, in connection with its valuation as at 30 April 2012 of the market value of certain residential units in Belle Vue Residences, Singapore.*

The properties forming the subject of these reports together comprise the Distributed Businesses. All the companies holding the subject properties form part of the Privateco Group, or are associated companies of Privateco, as at the date of this Composite Document.

As the reports contained in this Appendix are dated prior to the completion of the Distribution In Specie, statements contained in the reports should be read by reference to the facts and circumstances subsisting as at the respective dates of such reports. Accordingly, references to “Winsor” or the “Winsor Group” should be taken to mean Winsor or the Winsor Group prior to the completion of the Distribution In Specie.

Unless otherwise defined, capitalised terms used in the reports contained in this Appendix shall have the same meaning as those defined in the Wing Tai circular.

Part A

Valuation of Lanson Place Hotel as at 30 April 2012



Savills Valuation and
Professional Services Limited
23/F Two Exchange Square
Central, Hong Kong

T: (852) 2801 6100
F: (852) 2530 0756

EA Licence: C-023750
savills.com

The Directors
Wing Tai Properties Limited
27th Floor
Two Landmark East
100 How Ming Street
Kwun Tong
Kowloon
Hong Kong

20 June 2012

Dear Sirs,

Re: Lanson Place Hotel, 133 Leighton Road, Causeway Bay, Hong Kong

In accordance with your instructions for us to value the captioned property, we confirm that we have carried out inspections, made relevant enquiries and carried out searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of this property as at 30 April 2012 for public circular purpose.

Our valuation is our opinion of the market value of the property which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

The market value is the best price reasonably obtainable in the market by the seller and the most advantageous price reasonably obtainable in the market by the buyer. This estimate specifically excludes an estimated price inflated or deflated by special terms or circumstances such as atypical

financing, sale and leaseback arrangements, joint ventures, management agreements, special considerations or concessions granted by anyone associated with the sale, or any element of special value. The market value of a property is also estimated without regard to costs of sale and purchase, and without offset for any associated taxes.

Our valuation is prepared in accordance with The HKIS Valuation Standards on Properties (1st Edition 2005) published by The Hong Kong Institute of Surveyors and in compliance with the requirements of Chapter 5 of the Rules Governing the Listing of Securities published by The Stock Exchange of Hong Kong Limited as well as Rule 11 of The Codes on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission.

We have valued the property as an operating hotel by capitalisation of the net operating income shown on the schedules handed to us and with reference to sales evidence as available on the market.

We have not been provided with any title document relating to the property but we have caused searches to be made at the Land Registry. We have not, however, inspected the original documents to verify ownership or to ascertain the existence of any amendment which does not appear on the copies obtained by us.

We have relied to a very considerable extent on information given by Fore Prosper Limited (“Fore Prosper”), the registered owner of the property, and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, operating incomes and expenses, occupancy status, floor areas and all other relevant matters. Dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us and are therefore only approximations. We have no reason to doubt the truth and accuracy of the information provided to us. We have also been advised by Fore Prosper that no material facts have been omitted from the information provided.

We have inspected the exterior of the property and where possible, we have also inspected the interior of the premises. However, no structural survey has been made but in the course of our inspection, we did not note any serious defect. We are not, however, able to report that the property is free of rot, infestation or any other structural defect. No test was carried out on any of the services.

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

Fore Prosper confirms that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Nevertheless, the potential tax liability which might arise on the disposal of the property as at the date of valuation is profit tax at 16.5%. The likelihood of such tax liability being crystallised is slim.

We enclose herewith our valuation certificate for your attention.

Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services Limited
Freddie Ling
MRICS MHKIS RPS(GP)
Senior Director

* Freddie Ling is a qualified surveyor who has about 26 years experience in valuation of properties in Hong Kong.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 April 2012
Lanson Place Hotel, 133 Leighton Road, Causeway Bay, Hong Kong	<p>The property comprises a roughly triangular level site with a registered site area of approximately 687.60 sq m (7,401 sq ft).</p> <p>Currently standing on the site is a 26-storey (including a Mechanical Floor) office/commercial/hotel building with the Ground Floor to 25th Floor completed in 1996 and 27th to 28th Floors in 1999.</p> <p>The building was converted into a serviced apartment/hotel building in 2005 accommodating a total of 194 units with a total gross floor area of approximately 10,599.87 sq m (114,097 sq ft).</p> <p>Inland Lot No. 8774 is held under Conditions of Exchange No. 12159 for a term from 2 September 1991 to 30 June 2047 at an annual Government rent equivalent to 3% of the rateable value for the time being of the lot.</p>	The property is currently occupied as a serviced apartment/ hotel under the name of Lanson Place Hotel.	<p>HK\$1,290,000,000</p> <p>(40% attributable to the Winsor Group: HK\$516,000,000)</p>

Notes:

- (1) The current registered owner of the property is Fore Prosper, in which Success Grab Investments Limited and Dragon Eye Holding Limited are beneficially interested in the proportion of 60:40. Success Grab Investments Limited is a wholly-owned subsidiary of the Company whereas Dragon Eye Holding Limited is a wholly-owned subsidiary of Winsor. The property is held by Fore Prosper for investment purpose.
- (2) The property is subject to a mortgage in favour of The Bank of Tokyo-Mitsubishi UFJ, Limited, Hong Kong Branch.
- (3) The property currently lies within an area zoned "Commercial" on Causeway Bay Outline Zoning Plan No. S/H6/15.
- (4) Our inspection was carried out by Eddie So, MRICS, MHKIS, on 18 May 2012. The property was maintained in a reasonable condition commensurate with its age and uses and equipped with normal building services.

Part B

**Valuation of Peng Chau Lot No. 1 and various lots in Demarcation District
Nos. 6, 310, 311 and 326, Lantau Island as at 30 April 2012**



B. I. Appraisals Limited
保柏國際評估有限公司

Registered Professional Surveyors, Valuers & Property Consultants

Unit 1301, 13/F, Tung Wai Commercial Building,
Nos. 109-111 Gloucester Road, Wanchai, Hong Kong
Tel: (852) 2127 7762 Fax: (852) 2137 9876
Email: info@biappraisals.com.hk
Website: www.bigroupchina.com

20 June 2012

The Directors
Wing Tai Properties Limited
27th Floor, Two Landmark East
100 How Ming Street
Kwun Tong
Kowloon

Dear Sirs,

**Re: Peng Chau Lot No. 1, Peng Chau and various lots in Demarcation District Nos. 6, 310,
311 and 326, Lantau Island, New Territories, Hong Kong**

In accordance with the instructions from Wing Tai Properties Limited (hereinafter referred to as the “Company”) for us to value the captioned properties (hereinafter referred to as the “Properties”), which are held by Winsor Properties Holdings Limited (hereinafter referred to as “Winsor”) and/or its subsidiaries (hereinafter together referred to as the “Winsor Group”), we confirm that we have carried out inspections, conducted land searches at the Land Registry, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of value of the Properties in existing state as at 30 April 2012 (hereinafter referred to as the “Date of Valuation”).

It is our understanding that this valuation document is to be used by the Company for disclosure purpose.

This letter, forming part of our valuation report, identifies the properties being valued, explains the basis and methodology of our valuations, and lists out the assumptions and the title investigation we have made in the course of our valuations, as well as the limiting conditions.

BASIS OF VALUATION

Our valuation of each of the Properties is our opinion of its market value which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

We have valued the Properties on the basis that each of them is considered individually. We have not allowed for any discount for the Properties to be sold to a single party nor taken into account any effect on the values if the Properties are to be offered for sale at the same time as a portfolio.

In valuing the Properties, the Government Lease of which have expired prior to 30 June 1997, we have taken into account the provisions of the New Territories Leases (Extension) Ordinance 1988 that such leases have been extended without payment of premium until 30 June 2047, and that a rent equivalent to three per cent. of the rateable value of each of the Properties is charged per annum from the date of extension.

Our valuations have been carried out in accordance with The HKIS Valuation Standards on Properties (1st Edition 2005) issued by the Hong Kong Institute of Surveyors and under generally accepted valuation procedures and practices, which are in compliance with Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rule 11 of The Codes on Takeovers and Mergers and Share Repurchases published by Securities and Futures Commission.

VALUATION METHODOLOGY

In arriving at our opinion of value of each of the Properties, which are held for investment, we have adopted the Direct Comparison Approach assuming sale of each of the Properties in its existing state with the benefit of immediate vacant possession and by making reference to comparable transactions as available in the relevant market.

VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the Properties are sold on the open market in their existing states without the benefit of a deferred terms contract, leaseback, joint venture, management agreement or any similar arrangement which might serve to affect their values. In addition, no account has been taken of any option or right of pre-emption concerning or effecting sales of the Properties and no forced sale situation in any manner is assumed in our valuations.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the Properties nor for any expenses or taxation that may be incurred in effecting sales. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature that could affect their values.

We have carried out inspections of the Properties in the period from 4 to 7 June 2012. Yet, due to the topography and accessibility of the Properties, we were unable to carry out inspection to the entire area of each of the Properties. However, we are aware that there have been certain trespass activities in Property 1 and Property 3. In the course of our valuations, we have not taken into account the effect of these activities and have assumed that the Properties are vacant and may be utilized for the use permitted under the relevant Government Leases.

We have based our assessment of the Properties on the registered site areas stated in the relevant Block Government Leases, which are only approximations. For the purpose of our valuations, we have assumed that the site areas shown on the relevant Government Leases and/or other documents made available to us are correct.

In the course of our valuations, we have relied on the relevant lot index plans, demarcation and survey sheets to identify the location of the Properties as we are not in the capacity to carry out land survey to delineate the exact boundaries of the Properties. We have assumed that the Properties are under the custody of their registered owner(s) and are without being encroached upon by owners/occupiers of the adjacent parcels of land.

TITLE INVESTIGATION

We have caused searches to be made at the Land Registry for the Properties. However, we have not scrutinized the original documents to ascertain ownership or to verify any amendments that may not appear on the copies handed to us. All documents and leases have been used for reference only.

POTENTIAL TAX LIABILITIES

In the course of our valuations, we have not taken into account any potential tax liabilities that might arise on the disposal of each of the Properties. We have been advised by the Winsor Group that there is no immediate plan nor intention to dispose any or all of the Properties. However, should the Properties be disposed of, the potential tax liability which might arise is the profit tax. Yet, it is considered that there is little likelihood such potential tax liability might be crystallized.

LIMITING CONDITIONS

We have not carried out any land survey and site measurements to verify the site areas of the Properties. Dimensions, measurements and areas included in the valuation certificates are based on information contained in copies of documents provided to us and are therefore approximations only.

Moreover, we have not carried out any site investigations to determine or otherwise the suitability of the ground conditions, the presence or otherwise of contamination and the provision of/or suitability for services etc. for any future development. Our valuations are prepared on the assumption that these aspects are satisfactory and that no extraordinary expenses or delays will be incurred during any construction period.

We have relied to a considerable extent on the information provided by the Winsor Group, particularly in respect of planning approvals or statutory notices, easements, tenure, particulars of occupancy, site areas and all other relevant matters in the identification of the Properties.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Winsor Group. We were also advised by the Winsor Group that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

REMARKS

The registered site areas of the Properties are either stated in acre(s) or square feet (sq.ft.). In the course of our valuations, we have adopted conversion factors of 1 acre = 43,560 sq.ft. and 1 square metre (sq.m.) = 10.764 sq.ft.

Unless otherwise stated, all monetary amounts stated in our valuation certificates are in Hong Kong Dollars (HK\$).

We hereby confirm that we have neither present nor prospective interests in the Company, its subsidiaries, its holding company (or its subsidiaries), the Properties or the values reported herein.

Our Summary of Values and Valuation Certificates are attached herewith.

Yours faithfully,
For and on behalf of
B.I. APPRAISALS LIMITED
William C. K. Sham
Registered Professional Surveyor (G.P.)
China Real Estate Appraiser
MRICS, MHKIS, MCIREA
Executive Director

Notes:

- (1) Mr. William C. K. Sham is a qualified valuer on the approved List of Property Valuers for Undertaking Valuation for Incorporation or Reference in Listing Particulars and Circulars and Valuations in Connection with Takeovers and Mergers published by the Hong Kong Institute of Surveyors. Mr. Sham has over 30 years' experience in the valuation of properties in Hong Kong and has over 15 years' experience in the valuation of properties in the People's Republic of China and the Asia Pacific regions.
- (2) Inspections of the Properties were carried out in the period from 4 to 7 June 2012 by Mr. Ken Tsang, Assistant Manager, who has more than 13 years' experience in the valuation of properties in Hong Kong and the People's Republic of China.

SUMMARY OF VALUES

Property	Market value in existing state as at 30 April 2012
1. Peng Chau Lot No. 1, Peng Chau, New Territories, Hong Kong	HK\$3,000,000.00
2. Lot Nos. 385, 390, 397, 399, 404, 406, 407, 408, 411, 412, 414, 418, 420, 423, 425, 427, 433, 434, 436, 438, 440, 441, 442, 444, 447, 448, 450, 451, 453, 454, 461, 463, 464, 465, 466, 467, 468, 470, 471, 472, 478, 486, 492, 493, 501, 503, 509, 511, 516, 521, 532, 534, 535, 542, 545, 551, 555, 557, 570, 571, 572, 583, 588, 589, 592, 595, 596, 603, 614, 618, 619 and 620 in Demarcation District No. 6, Tung Chung, Lantau Island, New Territories, Hong Kong	HK\$2,800,000.00
3. Lot Nos. 20, 25, 26, 27, 30, 33, 35, 36, 37, 39, 43, 54, 58, 64, 67 R.P., 69, 71, 76, 90, 91, 92, 93, 94, 95, 97, 98, 111, 112, 120, 122, 129, 130, 132, 135, 138, 139, 140, 141, 142, 143, 144, 150, 152, 156, 161, 163, 164, 167, 171, 172, 175, 178, 181, 220, 222, 225, 242, 245, 328 and 361 in Demarcation District No. 310, Lantau Island, New Territories, Hong Kong	HK\$1,330,000.00
4. Lot Nos. 406, 410, 411 R.P., 415, 416, 417, 418, 419, 420, 424, 425, 426 R.P., 427 R.P., 429 R.P., 463, 465 and 466 in Demarcation District No. 311, Lantau Island, New Territories, Hong Kong	HK\$670,000.00
5. Lot Nos. 891, 905, 906, 908, 914, 920, 925, 1094, 1097, 1102 and 1141 in Demarcation District No. 326, Lantau Island, New Territories, Hong Kong	HK\$130,000.00
Total:	<u>HK\$7,930,000.00</u>

APPENDIX IV

VALUATION REPORTS OF PROPERTIES COMPRISED IN THE DISTRIBUTED BUSINESSES

Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 April 2012
1. Peng Chua Lot No. 1, Peng Chau, New Territories, Hong Kong	<p>The property comprises a plot of agricultural lot located in an area known as Tai Lung Tsuen on the northern part of Peng Chau.</p> <p>The subject lot falls within an area zoned for “Green Belt” use under the Approved Peng Chau Outline Zoning Plan No. S/I-PC/10 gazetted on 20 February 2009.</p> <p>The registered site area of the property is approximately 151,153 sq.ft. (14,042.46 sq.m.).</p> <p>The property is held under a Block Government Lease for a term of 75 years from 1 July 1898, renewable for a further term of 24 years less the last 3 days. The said lease term has been statutorily extended until 30 June 2047.</p> <p>The total Government rent for the property is HK\$347.40 per quarter.</p>	<p>The property is covered by fruit trees and vegetation, except that a number of temporary structures and two single-storey houses were found erected at the northeastern part of the property.</p> <p>The western part of the property is tenant-occupied under a tenancy for a term from 1 March 2012 to 28 February 2013 at an annual rent of HK\$100.</p>	<p>HK\$3,000,000.00</p> <p>(100% interest attributable to the Winsor Group: HK\$3,000,000.00)</p>

Notes:

- (1) The registered owner of the property is Adam Knitters Limited, an indirect wholly owned subsidiary of Winsor.
- (2) Pursuant to the Schedule of Uses for Approved Peng Chau Outline Zoning Plan No. S/I-PC/10, agricultural use is always permitted in the “Green Belt” zone.
- (3) The potential tax liability that might arise on the disposal of the property as at the Date of Valuation is the profit tax at 16.5%.

APPENDIX IV

VALUATION REPORTS OF PROPERTIES COMPRISED IN THE DISTRIBUTED BUSINESSES

				Market value in existing state as at 30 April 2012
	Property	Description and tenure	Particulars of occupancy	
2.	Lot Nos. 385, 390, 397, 399, 404, 406, 407, 408, 411, 412, 414, 418, 420, 423, 425, 427, 433, 434, 436, 438, 440, 441, 442, 444, 447, 448, 450, 451, 453, 454, 461, 463, 464, 465, 466, 467, 468, 470, 471, 472, 478, 486, 492, 493, 501, 503, 509, 511, 516, 521, 532, 534, 535, 542, 545, 551, 555, 557, 570, 571, 572, 583, 588, 589, 592, 595, 596, 603, 614, 618, 619 and 620 in Demarcation District No. 6, Tung Chung, Lantau Island, New Territories, Hong Kong	<p>The property comprises 72 plots of agricultural lot scattered in an area known as San Tau, which is close to Tung Chung Bay on Lantau Island.</p> <p>The total registered site area of the property is approximately 119,354 sq.ft. (11,088.26 sq.m.).</p> <p>The property is held under a Block Government Lease for a term of 75 years from 1 July 1898, renewable for a further term of 24 years less the last 3 days. The said lease term has been statutorily extended until 30 June 2047.</p> <p>The total ground rent for the property is HK\$3.29 per annum.</p>	<p>The property is covered by vegetation.</p>	<p>HK\$2,800,000.00</p> <p>(100% interest attributable to the Winsor Group: HK\$2,800,000.00)</p>

Notes:

- (1) The registered owner of the property is Adam Knitters Limited, an indirect wholly owned subsidiary of Winsor.
- (2) The property is currently not covered by any Outline Zoning Plan prepared and published by the Town Planning Board.
- (3) The potential tax liability that might arise on the disposal of the property as at the Date of Valuation is the profit tax at 16.5%.

APPENDIX IV

VALUATION REPORTS OF PROPERTIES COMPRISED IN THE DISTRIBUTED BUSINESSES

				Market value in existing state as at 30 April 2012
	Property	Description and tenure	Particulars of occupancy	
3.	Lot Nos. 20, 25, 26, 27, 30, 33, 35, 36, 37, 39, 43, 54, 58, 64, 67 R.P., 69, 71, 76, 90, 91, 92, 93, 94, 95, 97, 98, 111, 112, 120, 122, 129, 130, 132, 135, 138, 139, 140, 141, 142, 143, 144, 150, 152, 156, 161, 163, 164, 167, 171, 172, 175, 178, 181, 220, 222, 225, 242, 245, 328 and 361 in Demarcation District No. 310, Lantau Island, New Territories, Hong Kong	<p>The property comprises 60 plots of agricultural lot scattered in an area known as Upper Keung Shan on Lantau Island.</p> <p>The total registered site area of the property is approximately 170,514 sq.ft. (15,841.14 sq.m.).</p> <p>Lot Nos. 328 and 361 are held under New Grant Nos. 2803 and 3277 respectively and the remaining lots are held under a Block Government Lease. All the lots are held for a term of 75 years from 1 July 1898, renewable for a further term of 24 years less the last 3 days. The said lease term has been statutorily extended until 30 June 2047.</p> <p>The total ground rent for the property is about HK\$10.14 per annum.</p>	<p>The property is covered by fruit trees and vegetation, except that a few 1 to 2-storey houses and temporary structures were built on portion of Lot No. 111 and Lot No. 328.</p>	<p>HK\$1,330,000.00</p> <p>(100% interest attributable to the Winsor Group: HK\$1,330,000.00)</p>

Notes:

- (1) The registered owner of the property is Adam Knitters Limited, an indirect wholly owned subsidiary of Winsor.
- (2) The property is currently not covered by any Outline Zoning Plan prepared and published by the Town Planning Board.
- (3) The potential tax liability that might arise on the disposal of the property as at the Date of Valuation is the profit tax at 16.5%.

APPENDIX IV

VALUATION REPORTS OF PROPERTIES COMPRISED IN THE DISTRIBUTED BUSINESSES

	Property	Description and tenure	Particulars of occupancy	Market value in existing state as at 30 April 2012
4.	Lot Nos. 406, 410, 411 R.P., 415, 416, 417, 418, 419, 420, 424, 425, 426 R.P., 427 R.P., 429 R.P., 463, 465 and 466 in Demarcation District No. 311, Lantau Island, New Territories, Hong Kong	<p>The property comprises 17 plots of agricultural lot scattered in an area known as Lower Keung Shan on Lantau Island.</p> <p>The total registered site area of the property is approximately 86,078 sq.ft. (7,996.84 sq.m.).</p> <p>The property is held under a Block Government Lease for a term of 75 years from 1 July 1898, renewable for a further term of 24 years less the last 3 days. The said lease term has been statutorily extended until 30 June 2047.</p> <p>The total ground rent for the property is about \$48.87 per annum.</p>	<p>The property is covered by vegetation.</p>	<p>HK\$670,000.00</p> <p>(100% interest attributable to the Winsor Group: HK\$670,000.00)</p>

Notes:

- (1) The registered owner of the property is Adam Knitters Limited, an indirect wholly owned subsidiary of Winsor.
- (2) The property is currently not covered by any Outline Zoning Plan prepared and published by the Town Planning Board.
- (3) The potential tax liability that might arise on the disposal of the property as at the Date of Valuation is the profit tax at 16.5%.

APPENDIX IV**VALUATION REPORTS OF PROPERTIES
COMPRISED IN THE DISTRIBUTED BUSINESSES**

			Particulars of occupancy	Market value in existing state as at 30 April 2012
Property	Description and tenure			
5. Lot Nos. 891, 905, 906, 908, 914, 920, 925, 1094, 1097, 1102 and 1141 in Demarcation District No. 326, Lantau Island, New Territories, Hong Kong	<p>The property comprises 11 plots of agricultural lot scattered in an area known as Shui Hau on Lantau Island.</p> <p>The subject lots falls within an area zoned for “Country Park” use under the Approved South Lantau Coast Outline Zoning Plan No. S/SLC/16 gazetted on 12 November 2010.</p> <p>The total registered site area of the property is approximately 13,068 sq.ft. (1,214.05 sq.m.).</p> <p>The property is held under a Block Government Lease for a term of 75 years from 1 July 1898, renewable for a further term of 24 years less the last 3 days. The said lease term has been statutorily extended until 30 June 2047.</p> <p>The total ground rent for the property is HK\$0.30 per annum.</p>		<p>The property is covered by vegetation.</p>	<p>HK\$130,000.00</p> <p>(100% interest attributable to the Winsor Group: HK\$130,000.00)</p>

Notes:

- (1) The registered owner of the property is Adam Knitters Limited, an indirect wholly owned subsidiary of Winsor.
- (2) Pursuant to the Schedule of Uses for Approved South Lantau Coast Outline Zoning Plan No. S/SLC/16, all uses and developments in the “Country Park” zone require consent from the Country and Marine Parks Authority and approval from the Town Planning Board is not required.
- (3) The potential tax liability that might arise on the disposal of the property as at the Date of Valuation is the profit tax at 16.5%.

Part C

Valuation of various properties in Hong Kong and the PRC as at 30 April 2012



Jones Lang LaSalle Limited
Valuation Advisory Services
6/F Three Pacific Place
1 Queen's Road East Hong Kong
tel +852 2846 5000 fax +852 2968 0078
Company Licence No.: C-003464

20 June 2012

The Directors
Wing Tai Properties Limited
27th Floor
Two Landmark East
100 How Ming Street
Kwun Tong
Kowloon, Hong Kong

And

The Directors
Winsor Properties Holdings Limited
8th Floor, AXA Tower, Landmark East
100 How Ming Street
Kwun Tong
Kowloon, Hong Kong

Dear Sirs,

Re: Portfolio Asset Valuation for Wing Tai Properties Limited

Instruction and Date of Valuation

In accordance with the joint instructions received from Wing Tai Properties Limited ("Wing Tai") and Winsor Properties Holdings Limited ("Winsor") for us to carry out valuation for a property portfolio ("the Properties") held or leased by Winsor and its subsidiaries (collectively known as "Winsor Group") located in Hong Kong and The People's Republic of China ("the PRC"), we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the Properties as at 30 April 2012 ("the date of valuation").

The Properties comprises a total of 10 property interests, 6 located in Hong Kong and 4 in the PRC.

Basis of Valuation

Our valuation for each of the Properties is made on the basis of the market value adopted by the Hong Kong Institute of Surveyors as “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

Our valuations are prepared in compliance with 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, Rule 11 of The Codes on Takeovers and Mergers and Share Repurchases (the “Takeovers Code”) published by Securities and Futures Commission, and in accordance with the HKIS Valuation Standards on Properties (First Edition 2005) published by The Hong Kong Institute of Surveyors.

The definition of market value has been applied to each property interest independently.

Valuation Assumptions

Our valuations have been made on the assumption that the owner sells the Properties individually on the market without any special arrangement such as deferred terms contracts, leasebacks, joint venture, management agreements which could serve to affect the values of the Properties. The market values of the Properties are also estimated without regard to costs of sale and purchase and without offset for any associated taxes.

No allowance has been made in our valuations for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation that may be incurred in effecting sales. Unless otherwise stated, it is assumed that the Properties are free from encumbrances, restrictions and outgoings of an onerous nature that could affect their values.

Valuation Methodology

For property interests in Groups I — properties held as investments in Hong Kong, we have valued the property interests on the basis of market value by the direct comparison approach and income capitalisation approach with reference to sales evidences in the relevant markets.

For property interests in Group II — properties held as investments in the PRC, we have valued the property interests on the basis of market value by the direct comparison approach.

For property interest in Group III — property rented by Winsor Group in Hong Kong, we have assigned no commercial value to the property mainly due to the short term tenure of the tenancy, prohibition against assignment or subletting and/or lack of substantial profit rent.

For property interests in Group IV — properties rented by China Merchants International Cold Chain (Shenzhen) Company Limited (“CMIC”), a 30% associated company of Winsor Group, we have assigned no commercial value to the properties mainly due to the short term tenure of the tenancies, prohibition against assignment or subletting and/or lack of substantial profit rent.

The direct comparison method is based on comparing the property to be valued directly with other comparable properties, which have recently transferred its legal ownership. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

The income capitalisation approach is based on the capitalization of the existing and reversionary rental income potential from the date of valuation at appropriate investment yield to arrive at the capital value. The rental value and capitalization rate to be adopted for the valuation are derived from an analysis of market transactions and our interpretation of prevailing investor requirements or expectations.

Title Investigation

We have conducted Land Registry searches for the property interests located in Hong Kong. For the property interests in the PRC, we have relied on the information provided by CMIC and the PRC legal advisor of Winsor Group, J.Yin Law Office (廣東佳因律師事務所) (“PRC Legal Advisor”), regarding the title to the properties. We have not examined the original documents to verify ownership or to ascertain the existence of any amendments that may not appear on the copies obtained by us. However, we have not searched and examined the original documents to verify ownership or to ascertain the existence of any lease amendments that may not appear on the copies provided to us. No responsibility is assumed for any matters concerning the legal title of the Properties.

Source of Information

In the course of our valuation, we have relied to a very considerable extent on the information provided to us by Winsor Group and CMIC, an associated company in which 30% interest is attributable to Winsor Group, and have accepted advice given to us on such matters as planning approvals, statutory notices, easements, tenure, occupancy status, rent rolls, ownership details, identification of property interests, site and floor areas and all other relevant matters. All documents and leases have been used for reference only and all dimensions, measurements and areas are deemed approximate. No on-site measurements have been taken. We have not seen original planning, development schemes and occupation consents for the Properties and have assumed that they have been erected and are being occupied and used in accordance with such consents and that there are no outstanding statutory notices.

We have no reason to doubt the truth and accuracy of the information provided to us. Winsor Group and CMIC also advised that no material facts have been omitted from the information supplied and we have no reason to suspect that material information has been withheld.

We have not been instructed to independently verify the information provided to us, e.g. to verify the existence or accuracy of each tenancy within the Properties. Our valuations are totally dependent on the adequacy and accuracy of the information supplied. Should these prove to be incorrect or inadequate, the accuracy of our valuations may be affected.

Property Inspection

We inspected the exterior and where possible the representative parts of the interior of the Properties in late May and early June by the undersigned for properties in the PRC and by Mr. Alex Mo, MHKIS, MRICS for the properties in Hong Kong. We have not conducted formal site and structural surveys and, as such, we cannot report that the Properties are free from rot, infestation or any other structural defects. We have not carried out building surveys, nor have we inspected those parts of the Properties, which are covered, unexposed or inaccessible and such parts have been assumed to be in good repair and conditions. We cannot express an opinion about or advise upon the condition of uninspected parts and this report should not be taken as making any implied representation or statement about such parts. No tests have been carried out to any of the building services.

We were not instructed to arrange for any investigation to be carried out to determine whether or not any deleterious or hazardous material has been used in the construction of the Properties, or has since been incorporated, and therefore unable to report that the Properties are free from risk in this respect.

Site Investigation

We have not carried out site measurements to verify the correctness of the site area of each of the Properties. We were not instructed to carry out investigations on site to determine the suitability of the ground conditions and the services, etc. for any future development, nor did we undertake archaeological, ecological or environmental surveys. Our valuations are on the basis that these aspects are satisfactory and that where development is contemplated, no extraordinary expenses or delays will be incurred during the construction period due to these, or to archaeological or ecological matters.

Plant and Machinery

Our valuations normally include all plant and machinery that form part of the building services installations. However, process plant, machinery and equipment which may have been installed wholly in connection with the occupiers' industrial or commercial processes, together with furniture and furnishings, tenants' fixtures and fittings are excluded.

Potential Tax Liability

There are potential tax liability which might arise on the disposal of each of the Properties in the respective locations, including but not limited to profit tax, business tax, land appreciation tax, capital gain tax and any other relevant taxes prevailing at the time in the respective jurisdiction. The basis and definition of market value do not allow for any taxation that may be incurred in effecting sales and therefore we have not considered such tax liability in the valuations.

Exchange Rate

All currency stated herein this report is in Hong Kong dollars (HK\$). The property interests in the PRC have been valued in Renminbi (“RMB”) and such valuations have been translated into Hong Kong dollars at the rate of exchange prevailing on the date of valuation at RMB1 to HK\$1.2356.

We enclose herewith the summary of values and valuation certificates.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Limited
Au Kin Keung, Alkan

BA(Hons), MHKIS, MRICS, RPS (GP), MCIREA
National Director
Licence No. E-181955

Mr. Au is a Registered Professional Surveyor in Hong Kong, a member of the Royal Institution of Chartered Surveyors and the Hong Kong Institute of Surveyors. He has over 18 years and 10 years experience in valuation of properties in Hong Kong and the PRC respectively.

SUMMARY OF VALUES

GROUP I — PROPERTIES HELD AS INVESTMENTS IN HONG KONG

No.	Property	Capital value as at 30 April 2012	Interest attributable to Winsor Group	Capital value attributable to Winsor Group as at 30 April 2012
1.	Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong	HK\$8,500,000,000	100%	HK\$8,500,000,000
2.	Units 505-510 on 5th Floor of Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong	HK\$10,650,000	95.24%	HK\$10,142,857
3.	Shui Hing Centre, 13 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong	HK\$510,000,000	100%	HK\$510,000,000
4.	W Square, 314-324 Hennessy Road, Wan Chai, Hong Kong	HK\$1,270,000,000	100%	HK\$1,270,000,000
5.	Winner Godown Building, 503-515 Castle Peak Road Tsuen Wan Section and 1-9 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong	HK\$777,000,000	100%	HK\$777,000,000
Sub-total		HK\$11,067,650,000		HK\$11,067,142,857

APPENDIX IV**VALUATION REPORTS OF PROPERTIES
COMPRISED IN THE DISTRIBUTED BUSINESSES**

GROUP II — PROPERTIES HELD AS INVESTMENTS IN THE PRC

No.	Property	Capital value	Interest	Capital value
		as at	attributable to	attributable to
		30 April 2012	Winsor Group	Winsor Group as
				at 30 April 2012
6.	Flats 402 and 403 of Block A, #1, Huaguoshan Mansion, Gongyuan Road and Gongye 7th Road, Shekou, Shenzhen City, The PRC	HK\$3,800,000	30%	HK\$1,140,000
7.	A land parcel to the North of Zhenhai Road and East of Tonghai Road, Qianhaiwan Logistics Park, Nanshan District, Shenzhen City, The PRC	No commercial value	30%	No commercial value
Sub-total		HK\$3,800,000		HK\$1,140,000

APPENDIX IV**VALUATION REPORTS OF PROPERTIES
COMPRISED IN THE DISTRIBUTED BUSINESSES**

GROUP III — PROPERTY RENTED BY WINSOR GROUP IN HONG KONG

No.	Property	Capital value	Interest	Capital value
		as at	attributable to	attributable to
		30 April 2012	Winsor Group	Winsor Group as
				at 30 April 2012
8.	8th Floor of Tai Sang Container & Godown Centre, Nos. 2-10 Cheung Fai Road, Tsing Yi, New Territories, Hong Kong	No commercial value	100%	No commercial value
		_____		_____
	Sub-total	No commercial value		No commercial value

APPENDIX IV**VALUATION REPORTS OF PROPERTIES
COMPRISED IN THE DISTRIBUTED BUSINESSES****GROUP IV — PROPERTIES RENTED BY CMIC IN THE PRC**

No. Property	Capital value		Capital value
	as at	Interest	attributable to
	30 April 2012	attributable to	Winsor Group as
		Winsor Group	at 30 April 2012
9. A cold storage development located at No.3 Nan Gang Road, Shekou Industrial Zone, Nanshan District, Shenzhen City, The PRC	No commercial value	30%	No commercial value
10. Warehouse Nos. 105-108 located at 53 Linhai Avenue, Qianhaiwan Free Trade Port Area, Nanshan District, Shenzhen City, The PRC	No commercial value	30%	No commercial value
Sub-total	No commercial value		No commercial value
Grand Total	<u>HK\$11,071,450,000</u>		<u>HK\$11,068,282,857</u>

GROUP I — PROPERTIES HELD AS INVESTMENTS IN HONG KONG

VALUATION CERTIFICATE

	Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012								
1.	Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong	The property is an office development known as “Landmark East” completed in 2008, comprising two high-rise office towers, namely AXA Tower and Tower 2 of 40 and 43 storeys respectively plus a common 2-level basement.	The property was let to various tenants with an occupancy rate of approximately 98% as at the date of valuation.	HK\$8,500,000,000 (100% attributable to Winsor Group: HK\$8,500,000,000)								
	The Remaining Portion of Kwun Tong Inland Lot No.242 (the “Lot”) (See Note 2)	<table><tr><td>Tower</td><td>GFA (ft²)</td></tr><tr><td>1</td><td>533,094</td></tr><tr><td>2</td><td><u>802,729</u></td></tr><tr><td>Total</td><td><u>1,335,823</u></td></tr></table> <p>According to the information provided by Winsor Group, the property accommodates a total of 454 private car parking spaces, 47 heavy goods vehicle parking spaces and 24 motorcycle parking spaces.</p> <p>The registered site area of the property is approximately 85,585ft² (7,951m²) (See Note 2).</p> <p>The Lot is held from the Government under a Government Lease for a term of 21 years from 1 July 1961, renewed for a further term of 15 years, less the last 3 days. The lease has been extended until 30 June 2047. The current government rent payable is an amount equal to 3% of the prevailing rateable value of the property.</p>	Tower	GFA (ft ²)	1	533,094	2	<u>802,729</u>	Total	<u>1,335,823</u>	<p>The majority of the lease terms are for 3 years with the latest term due to expire on 30 June 2016.</p> <p>The aggregate monthly passing rent excluding carpark licence fee as at the date of valuation was approximately HK\$23.2 million, exclusive of government rates, government rent and management fees.</p> <p>Car parking spaces are licensed on monthly and hourly basis. The average monthly carpark licence fee was approximately HK\$1,032,780, inclusive of government rates, government rent and management fees, for the period from October 2011 to March 2012.</p> <p>(See Note 3)</p>	
Tower	GFA (ft ²)											
1	533,094											
2	<u>802,729</u>											
Total	<u>1,335,823</u>											

Notes:

- (1) The registered owner of the Property is Begin Land Limited (a wholly owned subsidiary of Winsor Group) save and except Motorcycle Parking Space No.M1 on Basement 2 of the Car Park registered under Winsor Parking Limited (a wholly owned subsidiary of Winsor Group) and Development Common Areas and Facilities and Car Park Common Areas and Facilities registered under Winsor Estate Management Limited (a wholly owned subsidiary of Winsor Group).

- (2) According to our recent Land Registry searches, Landmark East comprises Section A, Section B and the Remaining Portion of Kwun Tong Inland Lot No.242. As advised by Winsor Group, Section A and Section B of Kwun Tong Inland Lot No.242 with a total site area of about 10,355ft² (962m²) will be surrendered to the Government for road widening.
- (3) According to our recent Land Registry searches, the following encumbrances and instruments were registered against the Property:
- Deed of Undertaking to the Government of the Hong Kong Special Administrative Region and the Director of Lands dated 11 May 2009 regarding the Remaining Portion of Kwun Tong Inland Lot No.242 vide Memorial No.09060401340025.
 - Mortgage in favour of The Hongkong and Shanghai Banking Corporation Limited to secure all moneys in respect of general banking facilities (including but not limited to a term loan facility of up to HK\$1,000,000,000) dated 30 September 2009 vide Memorial No.09102303520566.
 - Mortgage in favour of Bank of China (Hong Kong) Limited dated 13 October 2009 vide Memorial No.09102901060012.
 - Deed of Mutual Covenant and Management Agreement with Plans registered on 23 October 2009 vide Memorial No.09102303520551.
 - Waiver Letter dated 7 October 2010 vide Memorial No.10101402340162 to permit the use of “Shop 1” of AXA Tower for restaurant purpose for a term of one year certain commencing on 18 November 2009 and thereafter quarterly at a waiver fee of HK\$29,980 per quarter, subject to revision, with either party having the right to terminate the waiver at the expiry of the first year in accordance with the provisions therein.
 - Waiver Letter with Plan dated 26 April 2011 vide Memorial No. 11042901180282 to permit the use of “Shop 3” of Two Landmark East for restaurant purpose for a term of one year certain commencing on 20 December 2010 and thereafter quarterly at a waiver fee of HK\$111,930 per quarter, subject to revision, with either party having the right to terminate the waiver at the expiry of the first year in accordance with the provisions therein.
 - Waiver Letter with Plan dated 26 April 2011 vide Memorial No. 11042901180292 to permit the use of “Shop 2” of Two Landmark East for restaurant purpose for a term of one year certain commencing on 20 December 2010 and thereafter quarterly at a waiver fee of HK\$24,190 per quarter, subject to revision, with either party having the right to terminate the waiver at the expiry of the first year in accordance with the provisions therein.
 - Memorandum of Change of Name of Building dated 19 May 2011 vide Memorial No.11080300560015.
 - Various tenancy agreements were registered against the property.
- (4) The aggregate monthly passing rent includes the rent of 27/F Two Landmark East occupied by a subsidiary of Wing Tai. The tenancy of 27/F Two Landmark East was conditionally agreed to be renewed for a further term of 3 years from 25 July 2012 to 24 July 2015 at a monthly rent of HK\$507,603, exclusive of government rates, management fees and all other tenant’s outgoings; such renewal constitutes a special deal under the Takeovers Code.
- (5) The property falls within zone “Other Specified Uses (Business)” under draft Kwun Tong (South) Outline Zoning Plan No. S/K14S/17 dated 23 March 2012.

- (6) The potential tax liability which might arise on the disposal of the property as at the date of valuation in Hong Kong is profit tax at 16.5% on assessable profits from the sales of the property. The car parking space owned by Winsor Parking Limited is to be transferred at carrying value to another subsidiary of Winsor Group pursuant to the Group Reorganisation. Nevertheless, the registered owners of the property as mentioned in note (1) above confirm that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Hence, the likelihood of such tax liability being crystallized is slim.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
2. Units 505-510 on 5th Floor of Tower B, Regent Centre, 70 Ta Chuen Ping Street, Kwai Chung, New Territories, Hong Kong	<p>The property comprises 6 units on the 5th Floor of Tower B of Regent Centre.</p> <p>Regent Centre is an industrial complex comprising two industrial blocks. Tower A comprises 23 storeys and Tower B comprises 22 storeys, erected on top of a 3-storey podium completed in 1996.</p>	The property was occupied by a wholly owned subsidiary of Winsor Group under a licence agreement at a monthly licence fee of HK\$40,480 for an initial term of 2 years commencing on 15 July 2010 to 14 July 2012 and shall thereafter be renewed automatically on a yearly basis unless and until terminated by either party in accordance with the provisions therein.	<p>HK\$10,650,000</p> <p>(95.24% attributable to Winsor Group: HK\$10,142,857)</p>
Aggregate of 493/71,750 equal and undivided shares of and in the Remaining Portion of Lot No. 299 in Demarcation District No.444	<p>The property has a total gross floor area of approximately 8,096ft² (752.14m²).</p> <p>Lot No. 299 in Demarcation District No. 444 is held from the Government under New Grant No. 4260 for a term of 99 years less the last 3 days from 1 July 1898. The lease has been extended until 30 June 2047 by virtue of Section 6 of the New Territories Leases (Extension) Ordinance. The current government rent payable is an amount equal to 3% of the prevailing rateable value of the property.</p>		

Notes:

- (1) The registered owner of the property is Chericourt Company Limited, a 95.24% owned subsidiary of Winsor Group.
- (2) According to our recent Land Registry search, the following encumbrance was registered against the property
 - Mortgage dated 28 January 2000 vide Memorial No. TW1333609 in favour of Chong Hing Bank Limited.
- (3) Lot No. 299 in Demarcation District No. 444 falls within zone “Other Specified Uses (Business)” under draft Kwai Chung Outline Zoning Plan No. S/KC/26 dated 20 April 2012. The height restriction on the Lot No. 299 in Demarcation District No. 444 is 130m above Principal Datum or the height of the existing building, whichever is the greater.
- (4) The potential tax liability to Winsor Group which might arise on this disposal of the property as at the date of valuation in Hong Kong is profit tax at 16.5% on assessable profits from the sales of the property. Nevertheless, the registered owner of the property confirms that the property has been held as long term investment. Hence, the likelihood of such tax liability being crystallized is slim.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
3. Shui Hing Centre, 13 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong	The property comprises a 12-storey industrial building (including a mezzanine and a basement) completed in 1986.	The property was let to various tenants with an occupancy rate of approximately 90% as at the date of valuation.	HK\$510,000,000 (100% attributable to Winsor Group: HK\$510,000,000)
New Kowloon Inland Lot No.5890 (the "Lot")	<p>The Basement and the Ground Floor provide 1 container parking space, 9 lorry and 10 private car parking spaces together with loading/unloading areas, whilst the upper levels provide workshop space.</p> <p>The property has a total gross floor area of approximately 186,827ft² (17,356.65m²).</p> <p>The registered site area of the property is approximately 18,256ft² (1,696.00m²).</p> <p>The Lot is held from the Government under Conditions of Sale No. 11538 for a term of 99 years less the last 3 days from 1 July 1898. The lease has been extended until 30 June 2047 by virtue of Section 6 of the New Territories Leases (Extension) Ordinance. The current government rent payable for the property is an amount equal to 3% of the prevailing rateable value.</p>	<p>The majority of the lease terms are from 1 to 3 years with the latest tenancy due to expire on 20 September 2014.</p> <p>The aggregate monthly passing income excluding carpark licence fee as at the date of valuation was approximately HK\$1.6 million, exclusive of government rates, government rent and management fees.</p> <p>Car parking spaces are licensed on monthly and hourly basis. The average monthly carpark licence fee was approximately HK\$59,088, inclusive of government rates, government rent and management fees, for the period from October 2011 to March 2012.</p>	

Notes:

- (1) The registered owner of the property is Grandeur Investments Limited, a wholly owned subsidiary of Winsor Group.
- (2) According to our recent Land Registry search, the following encumbrances and instruments were registered against the property
 - Mortgage dated 31 March 2008 vide Memorial No.08041502660207 in favour of The Hongkong and Shanghai Banking Corporation Limited to the extent of all moneys.

- Tenancy agreement (Re: Part B of A on G/F) dated 2 July 2009 vide Memorial No.09072802740137 for a term of 3 years commencing on 3 June 2009 and expiring on 2 June 2012 at a rent of HK\$20,000 per month with an option to renew for a further term of 3 years in favour of Circle K Convenience Stores Limited.
 - Tenancy agreement (Re: Units 101A, B & C, 102 and 104 on 1/F) dated 14 October 2010 vide Memorial No.10102800680346 for a term of 3 years from 1 October 2010 to 30 September 2013 at a rent of HK\$82,061.6 per month with an option to renew for a further term of 3 years in favour of TUV Rheinland Hong Kong Limited.
 - Order No. UBCS/06-07/0001/10 by the Building Authority under S.24(1) of the Buildings Ordinance with plan dated 13 January 2012 vide Memorial No. 12031401360010.
- (3) The property falls within zone “Other Specified Uses (Business)” under draft Ngau Tau Kok and Kowloon Bay Outline Zoning Plan No. S/K13/27 dated 14 October 2011. The height restriction on the property is 120m above Principal Datum or the height of the existing building, whichever is the greater.
- (4) The potential tax liability which might arise on the disposal of the property as at the date of valuation in Hong Kong is profit tax at 16.5% on assessable profits from the sales of the property. Nevertheless, Grandeur Investments Limited, the registered owner of the property, confirms that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Hence, the likelihood of such tax liability being crystallised is slim.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
4. W Square, 314-324 Hennessy Road, Wan Chai, Hong Kong	The property comprises a 25-storey (including a basement) commercial building completed in 1978. It has been substantially renovated in 2008.	The property was let to various tenants with an occupancy rate of approximately 91% as at the date of valuation.	HK\$1,270,000,000 (100% attributable to Winsor Group: HK\$1,270,000,000)
The Remaining Portion and Section D of Marine Lot No. 122 (the "Lot")	<p>The basement to the 6th Floor are designated for retail use, the 7th Floor is designated as the mechanical floor, whereas the upper floors are for office use.</p> <p>The property has a total gross floor area of approximately 128,658ft² (11,952.62m²).</p> <p>The site area of the property is approximately 7,652ft² (710.89m²).</p> <p>The Lot is held from the Government under a Government Lease for a term of 999 years from 26 December 1860. The current government rent payable for the Lot is at an aggregate amount of HK\$96.</p>	<p>The majority of the lease terms are for 3 years with the latest tenancy due to expire on 14 April 2015.</p> <p>The aggregate monthly passing income as at the date of valuation was approximately HK\$3.75 million, exclusive of government rates, government rent and management fees.</p> <p>(See Note 2)</p>	

Notes:

- (1) The registered owner of the property is Winnion Limited, a wholly owned subsidiary of Winsor Group.
- (2) According to our recent Land Registry search, the following encumbrances and instruments were registered against the property:
 - Mortgage dated 29 June 2006 in favour of The Bank of East Asia, Limited vide Memorial No.06071301660407.
 - No-objection letter dated 21 December 2007 vide Memorial No.08012202030175.
 - In addition, various tenancy agreements were registered against the property.

- (3) The aggregate monthly passing income includes the rents of 6/F and 25/F and the Penthouse occupied by subsidiaries of Wing Tai. The tenancies of 6/F and of 25/F and the Penthouse were conditionally agreed to be renewed in the following manner (such renewal constitutes special deals under the Takeover Code):

Premises	Term	Monthly Rent
6/F	1 October 2012 to 8 July 2013	HK\$192,885, exclusive of government rates, management fees, air-conditioning charges and all other tenant's outgoings
25/F & Penthouse	The date on which the consent of the Executive (as defined in the circular of Wing Tai dated 20 June 2012) has been granted and all conditions attaching to such consent have been fulfilled to 8 July 2013	HK\$303,412.5, exclusive of government rates, management fees, air-conditioning charges and all other tenant's outgoings

- (4) The property falls within zone "Other Specified Uses (Mixed Use)" under draft Wan Chai Outline Zoning Plan No. S/H5/26 dated 24 September 2010. The height restriction on the property is 110m above Principal Datum or the height of the existing building, whichever is the greater.
- (5) The potential tax liability which might arise on the disposal of the property as at the date of valuation in Hong Kong is profit tax at 16.5% on assessable profits from the sales of the property. Nevertheless, Winnion Limited, the registered owner of the property, confirms that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Hence, the likelihood of such tax liability being crystallised is slim.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
5. Winner Godown Building, 503-515 Castle Peak Road Tsuen Wan Section and 1-9 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong	The property comprises a 20-storey (including a mezzanine floor) godown building completed in 1988.	The property was fully let to various tenants as at the date of valuation.	HK\$777,000,000
The Remaining Portion of Tsuen Wan Inland Lot No.28 (the "Lot")	<p>A portion of the ground floor provides 1 container parking space, 25 lorry and 25 private car parking spaces together with loading/ unloading areas. The mezzanine floor and part of the first floor provide ancillary offices whilst the remaining portion of the ground floor and upper levels provide godown space.</p> <p>The property has a total gross floor area of approximately 497,140ft² (46,185.43m²).</p> <p>The registered site area of the property is approximately 50,804ft² (4,719.81m²).</p> <p>The Lot is held from the Government under a Government Lease for a term of 75 years from 1 July 1898, renewed for a further term of 24 years less the last 3 days. The lease has been extended until 30 June 2047 by virtue of Section 6 of the New Territories Leases (Extension) Ordinance. The current government rent payable for the property is an amount equal to 3% of the prevailing rateable value.</p>	<p>The majority of the lease terms are for 2 years with the latest tenancy due to expire on 30 November 2014.</p> <p>The aggregate monthly passing rent excluding carpark licence fee as at the date of valuation was approximately HK\$3.3 million, exclusive of government rates, government rent and management fees.</p> <p>Car parking spaces are licensed on monthly and hourly basis. The average monthly carpark licence fee was approximately HK\$161,911, inclusive of government rates, government rent and management fees, for the period from October 2011 to March 2012.</p>	(100% attributable to Winsor Group: HK\$777,000,000)

Notes:

- (1) The registered owners of the property are Zofka Properties Limited (1/2 share) and Baudinet Investment Limited (1/2 share), both wholly owned subsidiaries of Winsor Group.
- (2) According to our recent Land Registry search, the following encumbrances and instruments were registered against the property:
 - Mortgage to secure general banking facilities in favour of The Hongkong and Shanghai Banking Corporation Limited dated 23 December 1996 vide Memorial No.UB6896857.
 - Deed of Variation of Memorial No.UB6896857 and Further Charge to secure general banking facilities dated 2 September 1999 vide Memorial No.UB7882029 in favour of The Hongkong and Shanghai Banking Corporation Limited.

- Tenancy Agreement (Re: Unit A on 8/F) dated 16 June 2009 vide Memorial No.09061900680166 for 3 years from 4 May 2009 to 3 May 2012 at a rent of HK\$59,547.60 per month in favour of G.O.D. (International) Limited.
- (3) The property falls within zone “Industrial” under draft Tsuen Wan Outline Zoning Plan No. S/TW/29 dated 24 February 2012. The height restriction on the property is 100m above Principal Datum or the height of the existing building, whichever is the greater.
- (4) The potential tax liability which might arise on the disposal of the property as at the date of valuation in Hong Kong is profit tax at 16.5% on assessable profits from the sales of the property. Nevertheless, Zofka Properties Limited and Baudinet Investment Limited, the registered owners of the property, confirm that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Hence, the likelihood of such tax liability being crystallised is slim.

GROUP II — PROPERTIES HELD AS INVESTMENTS IN THE PRC

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
6. Flats 402 and 403 of Block A, #1, Huaguoshan Mansion, Gongyuan Road and Gongye 7th Road, Shekou, Shenzhen City, The PRC	<p>The properties comprise two residential units on Level 4 of a 25-storey (including basement) residential building completed in 1993.</p> <p>The properties have a total gross floor area of approximately 220.4m² (2,372ft²).</p> <p>The land use rights of the properties are for residential use for a common term of 50 years from 13 August 1993 to 12 August 2043.</p>	<p>Flat 402 with a gross floor area of approximately 109.3m² (1,176 ft²) is leased to an independent third party for a term of one year from 1 April 2012 at a monthly rent of RMB4,000, exclusive of management fee and other outgoings.</p> <p>Flat 403 of Block A with a gross floor area of approximately 111.1m² (1,196 ft²) was occupied as staff quarters as at the date of inspection.</p>	<p>HK\$3,800,000</p> <p>(30% attributable to Winsor Group: HK\$1,140,000)</p>

Notes:

- (1) According to the Realty Title Certificates 深房地字第 6002861號 and 深房地字第 6002862號 both dated 29 March 1996, the properties are held by CMIC, an associated company in which 30% interest is attributable to Winsor Group.
- (2) We have in the course of the valuation accepted and taken into account the following legal opinion provided by the PRC Legal Advisor:
 - (a) CMIC possesses the good and formal title of the property and has the rights to freely sell the property to local and foreign purchaser(s);
 - (b) CMIC enjoys the rights to occupy, to let, to charge, to dispose of and to mortgage the property; and
 - (c) The tenancy agreement of Flat 402 is valid and binding and CMIC has the right to bill the tenant.
- (3) As advised by the PRC Legal Advisor, the major potential tax liability which might arise on the disposal of the property as at the date of valuation is deed tax at 1.5% and stamp duty at 0.05% on the transaction price of the property. Nevertheless, CMIC confirms that the property is held as long term investment for rental income and there is no plan or intention to dispose of the property. Hence, the likelihood of such tax liability being crystallised is slim.
- (4) The properties have been valued in Renminbi and the valuation has been translated into Hong Kong dollars at the rate of exchange prevailing on the date of valuation at RMB1 to HK\$1.2356.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012
7. A land parcel to the North of Zhenhai Road and to the East of Tonghai Road, Qianhaiwan Logistics Park, Nanshan District, Shenzhen City, The PRC	<p>The property comprises a land parcel with site area of approximately 50,779.31m² (546,588ft²).</p> <p>As advised, the property is proposed to be developed into a cold storage development with a total gross floor area of approximately 76,000m² (818,064ft²).</p>	The property is currently leased to an independent third party for open storage use for a term of 2 years due to expire on 14 October 2012 at a monthly rent of RMB120,000.	No commercial value (See Note 2)

Notes:

- (1) According to the Land Use Right Confirmation Contract dated 5 May 2009 entered into between China Merchants Shekou Industrial Zone Company Limited (招商局蛇口工業區有限公司) (Party A) and CMIC, an associated company in which 30% interest is attributable to Winsor Group, CMIC agreed to purchase and Party A agreed to sell the land parcel, which is restricted for warehouse and storage use, for a total consideration of approximately RMB 76,168,965. Total deposit paid by CMIC up to the date of valuation was RMB 30,467,585.
- (2) As CMIC has not yet obtained the Land Use Rights Certificate of the property at the date of valuation, we have given “no commercial value” to the property. Should the land use rights of the property be obtained by CMIC as at the date of valuation, the capital value of the property as at 30 April 2012 would be RMB78,000,000 (30% attributable to Winsor Group: RMB23,400,000) subject to terms and conditions stipulated in the Land Use Rights Confirmation Contract and on the assumption that the relevant approval for the proposed development parameters has been obtained.
- (3) We have in the course of the valuation accepted and taken into account the following legal opinion provided by the PRC Legal Advisor:
 - (a) Party A is authorised by the relevant land bureau to enter into the Land Use Rights Confirmation Contract with CMIC; and
 - (b) After entering into the Land Use Rights Transfer Agreement with the relevant land bureau and receiving the realty title certificate, CMIC will possess the land use rights of the property. CMIC will have the rights to transfer, to mortgage, to let and to develop after obtaining the land use rights.
- (4) The property has been valued in Renminbi and the valuation has been translated into Hong Kong dollars at the rate of exchange prevailing on the date of valuation at RMB1 to HK\$1.2356.

GROUP III — PROPERTY RENTED BY WINSOR GROUP IN HONG KONG

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012 (HK\$)
8. 8th Floor of Tai Sang Container & Godown Centre, Nos. 2-10 Cheung Fai Road, Tsing Yi, New Territories, Hong Kong	The property with a gross floor area of approximately 58,500ft ² (5,434.78m ²) comprises the whole 8th floor in a 23-storey warehouse building completed in 1982.	The property is rented by Winsor Group for its godown operation for a term of 2 years commencing on 1 July 2010.	No commercial value

Notes:

- (1) The registered owner of the property is Montgomery Enterprises Limited, an independent third party.
- (2) According to the tenancy agreement between Montgomery Enterprises Limited (“Landlord”) and Winner Godown Limited (“Tenant”) dated 26 April 2010, both the Landlord and the Tenant have renewed the tenancy of the property for a term of two years commencing on 1 July 2010 at a total monthly rent of HK\$292,500, inclusive of management fee, government rates and government rent.
- (3) According to the renewal agreement attached to a letter dated 4 May 2012, both the Landlord and the Tenant have agreed to renew the tenancy of Units B and C of the property with a gross floor area of approximately 39,000ft² (3,623.19m²) for a further term of 2 years commencing on 1 July 2012 at a monthly rent of HK\$246,200 inclusive of management fee, government rates and government rent. This renewal excludes Unit A of the property.

GROUP IV — PROPERTIES RENTED BY CMIC IN THE PRC

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012 (HK\$)
9. A cold storage development located at No.3 Nan Gang Road, Shekou Industrial Zone, Nanshan District, Shenzhen City, The PRC	<p>The property comprises a roughly trapezium-shaped site of approximately 20,040.88m² (215,720ft²). It is bounded by Nan Gang Road in its north-west and neighbouring lots currently occupied by the Shekou Container Terminal.</p> <p>Building improvements erected upon the property include a 9-storey industrial building for cold storage with ancillary office uses ("Building A") and a single storey warehouse ("Building B") (hereinafter collectively known as the "Complex"). Buildings A and B were completed in 1992 and 2005 respectively.</p> <p>As per the Realty Title Certificate dated 30 March 1998, the approximate gross floor area ("GFA") of Building A is approximately 35,792.2m² (385,267ft²). As advised by CMIC, Building B has a gross floor area of approximately 1,201.2m² (12,930ft²).</p>	<p>The property is rented for a term of 25 years due to expire on 30 April 2015 with an option to renew for a further term of 5 years or more.</p> <p>The majority portion of the property is currently occupied by CMIC for its cold storage operation.</p> <p>Portions of buildings with total GFA of approximately 2,244m² (24,154ft²) are sub-leased to two independent third parties for "warehouse and ancillary office uses" for terms with the latest tenancy due to expire on 19 May 2014. The current total monthly rent is RMB96,003, subject to pre-determined annual adjustment.</p> <p>Portion of the open space with area of approximately 7,900m² (85,036 ft²) is sub-leased to a connected party of CMIC for a term of 2 years due to expire on 30 September 2012 for open storage at a monthly income of RMB71,100, inclusive of land use tax.</p>	No commercial value

Notes:

- (1) According to Land Use Rights Lease Agreement (土地使用協議書) dated 23 February 1990 (modified with various Supplemental Lease Agreements) between Real Estate Co. of China Merchants Shekou Industrial Zone (招商局蛇口工業區房地產公司) (now known as Shenzhen China Merchants Real Estate Co. Ltd. (深圳招商房地產有限公司)) (“Party A”), an independent third party to Winsor Group, and CMIC, Party A agreed to lease the property to CMIC for a term of 25 years due to expire on 30 April 2015 with an option to renew for a further term of 5 years or more. According to the latest Supplemental Lease Agreement No.2010D142-1 dated December 2010, the rent for the property is reviewed at RMB1,903,884 per annum for the period from 1 January 2011 to 31 December 2013.
- (2) As advised, CMIC is an associated company in which 30% interest is attributable to Winsor Group.
- (3) According to the Realty Title Certificate 深房地字第6018644號 dated 30 March 1998 (the “Certificate”), Building A with a total gross floor area of approximately 35,792.2m² is held by CMIC. However, the Certificate also stated that disposal of the building is prohibited. Mortgage or lease of the building is permitted subject to the compliance of relevant rules and regulations. The land use rights is allocated to Party A.
- (4) We have in the course of the valuation accepted and taken into account the following legal opinion provided by the PRC Legal Advisor:
 - (a) Party A can lease out the property to CMIC for cold storage operation. The Land Use Rights Lease Agreement is valid and binding after signature and seal by both parties. CMIC can use the property according to the agreement for a term of 25 years;
 - (b) CMIC has the title of the Building A, while the land use rights was vested in Shenzhen China Merchants Real Estate Co. Ltd. CMIC has the rights to use and to let the property, but not the rights to mortgage and to dispose of the property;
 - (c) After the term of the Land Use Rights Lease Agreement, the titles of the land and the buildings will be reverted to Shenzhen China Merchants Real Estate Co. Ltd.;
 - (d) The tenancy agreements are valid and binding; and
 - (e) Building B is a temporary structure, CMIC has the rights to use it.

VALUATION CERTIFICATE

Property	Description, age and tenure	Particulars of occupancy	Capital value as at 30 April 2012 (HK\$)
10. Warehouse Nos. 105-108 located at 53 Linhai Avenue, Qianhaiwan Free Trade Port Area, Nanshan District, Shenzhen City, The PRC	The property comprises a single-storey warehouse building with a total gross floor area of approximately 13,944m ² (150,093ft ²) completed in about 2010.	<p>The property is rented for a term due to expire on 28 February 2029, with an option to extend for a further 5 years.</p> <p>The majority portion of the property is currently occupied by CMIC for its cold storage operation.</p> <p>Part of the ancillary office with an area of approximately 60m² (646ft²) is leased under an agreement to an independent third party for a term of two years from 25 October 2011 to 24 October 2013 at a monthly rent of RMB3,600, exclusive of management fee and other outgoings (the "Tenancy Agreement").</p>	No commercial value

Notes:

- (1) According to the Warehouse Cooperation Agreement (倉庫合作協議) dated 1 March 2010 between China Merchants Marine & Logistics (Shenzhen) Co. Ltd. (深圳招商局海運物流有限公司) (Party A) and CMIC, Party A agreed to lease the property to CMIC for a term due to expire on 28 February 2029 with an option to extend for a further term of 5 years. The monthly rent of the property is RMB278,880 inclusive of tax for the first 4 years.
- (2) As advised, CMIC is an associated company in which 30% interest is attributable to Winsor Group.
- (3) We have in the course of the valuation accepted and taken into account the following legal opinion provided by the PRC Legal Advisor:
 - (a) Party A is the owner of the property;
 - (b) Party A has the rights to let the property to CMIC for storage, loading/unloading and other value-added uses. The Warehouse Cooperation Agreement is valid and binding. CMIC can use the property according to the agreement for a term of 19 years;
 - (c) CMIC has gained the rights to use the property according to the Warehouse Cooperation Agreement; and
 - (d) The Tenancy Agreement is valid and binding, and CMIC has the right to bill the tenant.

Part D

**Valuation of certain residential units in Belle Vue Residences,
Singapore, as at 30 April 2012**

CBRE Pte. Ltd.

CBRE

6 Battery Road #32-01

Singapore 049909

T (65) 6224 8181

F (65) 6225 1987

www.cbre.com.sg

Co. Reg. No.: 197701161R

Agency Licence No.: L3002163I

20 June 2012

Winsor Properties Holdings Limited
8th Floor, AXA Tower,
Landmark East, 100 How Ming Street,
Kwun Tong, Kowloon,
Hong Kong

And

Wing Tai Properties Limited
27th Floor, Two Landmark East,
100 How Ming Street, Kwun Tong, Kowloon,
Hong Kong

Dear Sirs,

Valuation of

24 Unsold units within Belle Vue Residences,

19/21/23/25/27/31/33 Oxley Walk,

Singapore 238592/3/4/5/6/8/9 respectively, known as the “Property”

We refer to joint instructions issued by Winsor Properties Holdings Limited (“Winsor”) and Wing Tai Properties Limited (“Wing Tai”) to assess the market value at 30 April 2012 of the Property (“the date of valuation”) for inclusion in the circulars issued by Winsor and Wing Tai respectively on 20 June 2012. We confirm that we have carried out a site inspection on 29 May 2012, by our Mr. Philip Pang, Senior Manager, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the Market Value of the Property as at 30 April 2012.

Valuation Basis and Assumptions

In accordance with the International Valuation Standards and as advocated by the Royal Institution of Chartered Surveyors (RICS), the definition of Market Value is as follows:

“Market Value is the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

Our valuation is prepared in accordance with the “HKIS Valuation Standards on Properties (First Edition 2005)” published by The Hong Kong Institute of Surveyors. We have also complied with all the requirements contained in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as well as Rule 11 of The Codes on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission.

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

Where market value is assessed, it reflects the full contract value and no account is taken of any liability to taxation on sale or of the cost involved in effecting a sale. The Property is valued on the assumption that it is free and clear of all mortgages, encumbrances and other outstanding premiums and charges.

Our valuation is prepared on the basis that the premises and any works thereto comply with all relevant statutory regulations. We understand that the buildings on site have been issued with Certificate of Statutory Completion by the Building Authority.

No structural survey has been made of the buildings and no guarantee is given in respect of rot, termite or pest infestation or other hidden defects. None of the services in the building was tested.

Source of Information

Where applicable, information as to title particulars, site area and tenure are obtained from searches carried out at Singapore Land Authority. We have also relied on information provided to us by our client pertaining to matters such as the floor area, unit numbers of the unsold units etc. All information provided is treated as true and accurate and CBRE accepts no responsibility for subsequent changes in information and reserves the right to change our opinion of value if any other information provided were to materially change.

Confidentiality and Disclaimers

This letter and Valuation Certificate may only be relied upon by Winsor and Wing Tai for purposes of the Transactions as defined in the circulars issued by Winsor and Wing Tai dated 20 June 2012. This confidential document is for the sole use of persons directly provided with it by CBRE.

Use by, or reliance upon this document by anyone other than Winsor Properties Holdings Limited and Wing Tai Properties Limited is not authorised by CBRE and CBRE is not liable for any loss arising from such unauthorised use or reliance. This document should not be reproduced without our prior written authority.

Valuation Rationale

In arriving at the market value of the Property, we have considered relevant general and economic factors and in particular have investigated recent sales transactions of comparable properties that have occurred in the residential property market. We have utilised the Direct Comparison Method in undertaking our assessment for the Property.

Valuer's Interest

We affirm that the valuers are authorised under law to practice as valuers and have at least 5 years continuous experience in valuation and do not have a pecuniary interest that could conflict with the proper valuation of the property.

The key details and valuation of the Property are detailed in the Valuation Certificate attached overleaf.

Potential Tax Liability

The apartment units are available for sale. The profit arising from any sale is subject to corporate tax applicable in Singapore as at the date of valuation. In the event of a sale, the likelihood of such corporate tax liability being crystallised for the sold apartment units is definite. As advised by Winsor Properties Holdings Limited, based on the estimated gross profit of S\$69,000,000 for the Property and the corporate tax rate of 17%, the maximum corporate tax exposure for the Property is S\$11,730,000. Hence, for the 30% interest attributable to Winsor Group, the maximum corporate tax exposure amounts to S\$3,519,000.

Meanwhile, the property tax liability being crystallised for the unsold units held by Winquest Investment Pte Ltd is definite. Based on the prevailing property tax rate of 10% per annum on the Chief Assessor's assessed Annual Value of S\$3,091,200 for the Property, the maximum property tax exposure for the Property is S\$309,120 per annum. Hence, for the 30% interest attributable to Winsor Group, the maximum property tax exposure amounts to S\$92,736 per annum.

According to Section 2(a) of the Property Tax Act (Chapter 254) of the Republic of Singapore, Annual Value in relation to a house or building or land or tenement, not being a wharf, pier, jetty or landing-stage, means the gross amount at which the same can reasonably be expected to be let from year to year, the landlord paying the expenses of repair, insurance, maintenance or upkeep and all taxes (other than goods and services tax).

In conducting this valuation, we have not taken into account the corporate tax/property tax liabilities. However, we advise that these have no impact on the Market Value of the Property.

Yours sincerely,
CBRE PTE. LTD.

LI HIAW HO

DipUrbVal (Auck) SNZPI FSISV
Appraiser's Licence No. AD041.2445
Executive Director — Valuation &

Advisory Services

(38 years continuous experience in Valuation)

CYNTHIA SOO

BSc (Est. Mgt) Hons MSISV
Appraiser's Licence No. AD041.2006556
Associate Director. Valuation &

Advisory Services

(18 years continuous experience in Valuation)

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Market Value as at 30 April 2012
24 unsold Units within Belle Vue Residences, 19/21/23/25/27/31/33 Oxley Walk, Singapore 238592/3/4/5/6/8/9 respectively.	<p>The Property comprises 24 unsold residential units within Belle Vue Residences, with a total strata area of approximately 83,271 sq ft (7,736.13 sq m).</p> <p>Belle Vue Residences is a condominium development which contains nine 5 storey blocks with basement car parks. The development comprises a total of 176 residential units. The development was issued with the Temporary Occupation Permit (TOP) by the Building and Construction Authority, Singapore on 14 May 2010.</p> <p>Belle Vue Residences is erected on Lot 665N of Town Subdivision 20 with certified land area of approximately 247,610 sq ft (23,003.5 sq m).</p> <p>The Property is within an area zoned "Residential" with a plot ratio of 1.4 under the Singapore Master Plan 2008. Based on the Singapore Master Plan 2008, the site has a maximum height restriction of 5 storeys.</p> <p>The Property is in good condition.</p> <p>The tenure of the Property is Estate in Fee Simple.</p> <p>The registered owner of the Property is Winqest Investment Pte Ltd. As advised by Winsor Properties Holdings Limited, Winqest Investment Pte Ltd is a 30% associated company of the Winsor Group</p> <p>The Property is unencumbered as at date of valuation.</p>	<p>The 24 unsold residential units are vacant as at date of valuation and are held by Winqest Investment Pte Ltd for sale.</p>	<p>"En-bloc" basis</p> <p>S\$141,600,000</p> <p>(the 30% interest attributable to Winsor Group amounts to S\$42,480,000)</p> <p>"Unit by unit" basis</p> <p>S\$157,285,000</p> <p>(the 30% interest attributable to Winsor Group amounts to S\$47,185,500)</p>

Set out below is a summary of certain provisions of the memorandum of association (the “Memorandum of Association” or the “Memorandum”) and articles of association (the “Articles of Association” or “Articles”) of the Privateco and of certain aspects of BVI company law.

(I) SUMMARY OF CONSTITUTION OF THE PRIVATECO**1. Memorandum of Association**

The Memorandum of Association of the Privateco was filed on 29 May 2012, and states, inter alia, that the liability of members of the Privateco is limited, that the objects for which the Privateco is established are unrestricted and the Privateco shall have full power and authority to carry out any object not prohibited by the BVI Business Companies Act, 2004 (as amended) (the “Companies Act”) or any other law of the BVI.

1.1 *Classes of shares*

The Privateco is authorised to issue ordinary shares. Pursuant to the Memorandum of Association, the maximum number of shares that the Privateco is authorised to issue is 300,000,000 shares with a par value of HK\$0.01 each.

1.2 *Alteration to constitutional documents*

Subject to the provisions of the Companies Act, the directors or members may from time to time amend the Memorandum or Articles by resolution of directors or resolution of members. The directors shall give notice of such resolution to the registered agent of the Privateco, for the registered agent to file with the Registrar of Corporate Affairs in the BVI (the “Registrar”) a notice of the amendment to the Memorandum or Articles, or a restated memorandum and articles of association incorporating the amendment(s) made, and any such amendment(s) to the Memorandum or Articles will take effect from the date of the registration by the Registrar of the notice of amendment or restated memorandum and articles of association incorporating the amendment(s) made.

The directors shall not have the power to amend the Memorandum or Articles:

- (a) to restrict the rights or powers of the members to amend the Memorandum or Articles;
- (b) to change the percentage of members required to pass a resolution to amend the Memorandum or Articles; or
- (c) in circumstances where the Memorandum or Articles may only be amended by the members.

1.3 *Variation of rights of existing shares or classes of shares*

If at any time the Privateco is authorised to issue shares of more than one class the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Privateco is being wound up, be varied only with the consent in writing of the holders of not less than three-fourths of the issued shares of that class and the holders of not less than three-fourths of the issued shares of any other class of shares which may be affected by such variation.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

1.4 *Alteration to the number of shares the Privateco is authorised to issue*

The directors or members may from time to time by resolution of directors or resolution of members increase the maximum number of shares the Privateco is authorised to issue, by amendment to the Memorandum in accordance with the Memorandum of Association.

2. *Articles of Association*

The Articles of Association of the Privateco were filed on 29 May 2012, and include provisions to the following effect:

2.1 *Directors***(a) *Power to allot and issue shares***

Subject to the provisions of the Companies Act and the Memorandum and Articles of Association, the unissued shares of the Privateco (whether forming part of its original or any increased authorised shares) shall be at the disposal of the directors, who may offer, allot, grant options over or otherwise dispose of them to such persons at such times and for such consideration, being not less than the par value (if any) of the shares being disposed of, and upon such terms, as the directors shall determine.

Subject to the provisions of the Companies Act, shares may be issued on the terms that they are redeemable, or at the option of the Privateco be liable to be redeemed on such terms and in such manner as the directors before or at the time of the issue of such shares may determine. The directors may redeem any share issued by the Privateco at a premium.

(b) *Business and affairs of the Privateco*

The business of the Privateco shall be managed by the directors who may pay all expenses incurred preliminary to and in connection with the formation and registration of the Privateco, and may exercise all such powers of the Privateco necessary for managing and for directing and supervising, the business and affairs of the Privateco as are not by the Companies Act or by the

Memorandum or Articles of Association required to be exercised by the members, subject to any delegation of such powers as may be authorised by the Articles of Association and permitted by the Companies Act and to such requirements as may be prescribed by resolution of the members, but no requirement made by resolution of the members shall prevail if it be inconsistent with the Articles of Association nor shall such requirement invalidate any prior act of the directors which would have been valid if such requirement had not been made.

(c) *Disclosure of interest in contracts with the Privateco or any of its subsidiaries*

No director shall be disqualified by his office from contracting with the Privateco either as a buyer, seller or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Privateco in which any director shall be in any way interested be voided, nor shall any director so contracting or being so interested be liable to account to the Privateco for any profit realised by any such contract or arrangement, by reason of such director holding that office or by reason of the fiduciary relationship thereby established, provided such director shall, immediately after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Privateco, disclose such interest to the board. For the purposes of this:

- (i) a director is not required to make such a disclosure if:
 - (A) the transaction or proposed transaction is between the director and the Privateco; and
 - (B) the transaction or proposed transaction is or is to be entered into in the ordinary course of the Privateco's business and on usual terms and conditions;
- (ii) a disclosure to the board to the effect that a director is a member, director, officer or trustee of another named company or other person and is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into with that company or person, is a sufficient disclosure of interest in relation to that transaction. Such a disclosure is not made to the board unless it is made or brought to the attention of every director on the board; and
- (iii) subject to section 125(1) of the Companies Act, the failure by a director to comply with the Article does not affect the validity of a transaction entered into by the director or the Privateco.

A director who is interested in a transaction entered into or to be entered into by the Privateco may:

- (i) vote on a matter relating to the transaction;

- (ii) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and

- (iii) sign a document on behalf of the Privateco, or do any other thing in his capacity as a director, that relates to the transaction.

(d) *Remuneration*

The remuneration of directors (whether by way of salary, commission, participation in profits or otherwise) in respect of services rendered or to be rendered in any capacity to the Privateco (including to any company in which the Privateco may be interested) shall be fixed by resolution of directors or resolution of members. The directors may also be paid such travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the directors, or any committee of the directors or meetings of the members, or in connection with the business of the Privateco as shall be approved by resolution of directors or resolution of members.

(e) *Retirement, appointment and removal*

The first director or directors shall be appointed by the registered agent of the Privateco. Thereafter, the directors shall be appointed and removed by resolution of directors or resolution of members for such terms as the directors or members may so determine. Sections 114(2) and 114(3) of the Companies Act shall not apply to the Privateco.

Each director holds office until:

- (i) his disqualification to act as a director under section 111 of the Companies Act (on which his office as director shall be automatically terminated if he has not resigned in accordance with section 115(2) of the Companies Act);
- (ii) his death;
- (iii) his resignation; or;
- (iv) the effective date of his removal by resolution of directors or resolution of members.

The following are disqualified for appointment as a director:

- (i) an individual who is under 18 years of age;
- (ii) a person who is a disqualified person within the meaning of section 260(4) of the Insolvency Act, 2003;

(iii) a person who is a restricted person within the meaning of section 409 of the Insolvency Act, 2003; and

(iv) an undischarged bankrupt.

(f) *Proceedings of the board*

The directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting of directors shall be determined by a majority of votes. In case of an equality in votes the Chairman of the board shall have a second or casting vote.

(g) *Delegation*

Subject to the provisions of section 110 of the Companies Act, the directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit.

The directors may, by resolution of directors, appoint officers of the Privateco at such times as shall be considered necessary or expedient.

The directors may from time to time by power of attorney appoint any company, firm or person or body of persons to be the attorney or attorneys of the Privateco for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under the Articles of Association) and for such period and subject to such conditions as the directors think fit.

The directors may appoint any person, including a person who is a director, to be an agent of the Privateco. The directors may at any time remove an agent and may revoke or vary a power conferred on him.

2.2 *Notice of meetings of members*

The directors may convene meetings of the members at such times and in such manner and places (within or outside the British Virgin Islands) as the directors consider necessary or desirable, and they shall convene such a meeting upon the written request of members entitled to exercise at least thirty (30) percent of the voting rights in respect of the matter for which the meeting is requested.

Not less than seven (7) days' notice specifying at least the place, the day and the hour of the meeting and general nature of the business to be conducted shall be given in the manner hereinafter mentioned to such persons whose names on the date the notice is given appear as members in the Privateco's register of members and are entitled to vote at the meeting. Notwithstanding the foregoing, a meeting of members held in contravention of the requirement to give notice is valid if members holding ninety (90) percent of:

- (a) the total voting rights on all the matters to be considered at the meeting; or
- (b) the votes of each class or series of shares where members are entitled to vote thereon as a class or series together with an absolute majority of the remaining votes,

have waived notice of the meeting and, for this purpose, the presence of a member at the meeting shall be deemed to constitute waiver on his part (unless such member objects in writing before or at the meeting).

The inadvertent failure of the directors to give notice of a meeting to a member or the fact that a member has not received a notice that has been properly given, shall not invalidate the meeting.

2.3 *Quorum for meetings*

No business shall be transacted at any meeting of members unless a quorum of members is present at the time when the meeting proceeds to business. A quorum shall consist of the holder or holders present in person or by proxy entitled to exercise at least fifty (50) percent of the voting rights of the shares of each class or series of shares entitled to vote as a class or series thereon and the same proportion of the votes of the remaining shares entitled to vote thereon.

A member shall be deemed to be present at a meeting of members if:

- (a) he or his proxy participates by telephone or other electronic means; and
- (b) all members and proxies participating in the meeting are able to hear each other.

If, within half an hour from the time appointed for the meeting, a quorum is not present, the meeting shall be dissolved.

2.4 *Voting rights*

At any meeting a resolution put to the vote of the meeting shall be decided on a show of hands by the holders of a majority of in excess of fifty (50) percent of the votes of those members (or their duly appointed proxies) entitled to vote and voting on the resolution, unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the Chairman; or

- (b) by any member present in person or by proxy and holding not less than one tenth of the total voting shares issued and having the right to vote on such resolution.

Unless a poll be so demanded, a declaration by the Chairman that a resolution has, on a show of hands been carried, and an entry to that effect in the book containing the minutes of the proceedings of the Privateco, shall be sufficient evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.

If a poll is duly demanded it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn, at the discretion of the Chairman.

On a poll, every holder of a voting share present in person or by proxy shall have one vote for every voting share of which he is the holder which confers the right to a vote on the resolution.

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place, or at which the poll is demanded, shall not be entitled to a second or casting vote.

Where shares are registered in the names of joint owners, if two or more are present in person or by proxy, they must vote as one. If more than one joint owner votes in person or by proxy at any meeting of members or by written resolution, the vote of the joint owner whose name appears first among such voting joint holders in the Privateco's register of members shall alone be counted.

2.5 *Transfer of shares*

Registered shares in the Privateco shall be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee. The instrument of transfer shall also be signed by the transferee if registration as a holder of the shares imposes a liability to the Privateco on the transferee. The instrument of transfer of a registered share shall be sent to the Privateco for registration.

Subject to the Memorandum, the Articles of Association and to section 54(5) of the Companies Act, the Privateco shall, on receipt of an instrument of transfer, enter the name of the transferee of the share in the Privateco's register of members unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in the resolution. Where the directors pass such a resolution, the Privateco shall send to the transferor and the transferee a notice of the refusal or delay. Notwithstanding anything contained in the Memorandum or Articles of Association, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such transfer is:

- (a) to any mortgagee or chargee whose interest has been noted on the Privateco's register of members;
- (b) by any such mortgagee or chargee, pursuant to the power of sale under its security; or

- (c) by any such mortgagee or chargee in accordance with the terms of the relevant security document.

The transfer of a registered share is effective when the name of the transferee is entered in the Privateco's register of members.

2.6 *Power of the Privateco to purchase its own shares*

The directors may, on behalf of the Privateco, subject to the written consent of all the members whose shares are to be purchased, redeemed or otherwise acquired, purchase, redeem or otherwise acquire any of the Privateco's own shares for such consideration as the directors consider fit, and either cancel or hold such shares as treasury shares. Shares may be purchased or otherwise acquired in exchange for newly issued shares in the Privateco.

The directors shall not, unless permitted pursuant to the Companies Act, purchase, redeem or otherwise acquire any of the Privateco's own shares unless immediately after such purchase, redemption or other acquisition:

- (a) the value of the Privateco's assets exceeds its liabilities; and
- (b) the Privateco is able to pay its debts as they fall due.

Sections 60 and 61 of the Companies Act shall not apply to the Privateco.

2.7 *Distributions*

Subject to the provisions of the Companies Act, the directors may, by resolution of directors, authorise a distribution by the Privateco at a time, and of an amount, and to any members they think fit if they are satisfied, on reasonable grounds that, immediately after the distribution, the value of the Privateco's assets will exceed the Privateco's liabilities and the Privateco is able to pay its debts as they fall due.

No distribution shall be paid on those shares which are held by the Privateco as treasury shares at the date of declaration of the distribution.

The directors may, before recommending any distribution, set aside out of the profits of the Privateco such sums as they think proper as a reserve or reserves which shall, at their discretion, either be employed in the business of the Privateco or be invested in such investments as the directors may from time to time think fit. If several persons are registered as joint holders of any share, any of them may give effectual receipt for any distribution or other monies payable on or in respect of the share.

Notice of any distribution that may have been declared shall be given to each member in manner hereinafter mentioned and all distributions unclaimed for three years after having been declared may be forfeited by the directors for the benefit of the Privateco.

No distribution shall bear interest against the Privateco.

2.8 *Proxies*

A member may attend a meeting of members personally or be represented by a proxy who may speak and vote on behalf of the member.

The instrument appointing a proxy shall be produced at the place appointed for the meeting before the time for holding the meeting at which the person named in such instrument proposes to vote. An instrument appointing a proxy shall be in such form as the Chairman of the meeting shall accept as properly evidencing the wishes of the member appointing the proxy, but must be in writing under the hand of the appointer unless the appointer is a corporation or other form of legal entity (other than one or more individuals holding as joint owner) in which case the instrument appointing a proxy shall be in writing under the hand of an individual duly authorised by such corporation or legal entity to execute the same.

2.9 *Forfeiture of shares*

The Privateco may, at any time after the due date for payment, serve on a member who has not paid in full for shares registered in the name of that member, a written notice of call (“Notice of Call”) specifying a date for payment to be made. The Notice of Call shall name a further date not earlier than the expiration of 14 days from the date of service of the Notice of Call on or before which the payment required by the Notice of Call is to be made and shall contain a statement that in the event of non-payment at or before the time named in the Notice of Call the shares, or any of them, in respect of which payment is not made will be liable to be forfeited.

Where a written Notice of Call has been issued under the foregoing Article and the requirements of the Notice of Call have not been complied with, the directors may, at any time before tender of payment, forfeit and cancel the shares to which the Notice of Call relates. The Privateco is under no obligation to refund any moneys to the member whose shares have been cancelled pursuant to the Article and that member shall be discharged from any further obligation to the Privateco.

2.10 *Rights of minorities in relation to fraud or oppression*

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.11 *Audit*

The directors may by a resolution of directors call for the accounts of the Privateco to be examined by an auditor or auditors to be appointed by them at such remuneration as may from time to time be agreed.

The auditor may be a member but no director or officer of the Privateco shall be eligible during his continuance in office.

Every auditor of the Privateco shall have a right of access at all times to the books of account of the Privateco, and shall be entitled to require from the officers of the Privateco such information and explanations as he thinks necessary for the performance of his duties.

The report of the auditor shall be annexed to the accounts upon which he reports, and the auditor shall be entitled to receive notice of, and to attend, any meeting at which the Privateco's audited profit and loss account and/or balance sheet is to be presented.

2.12 *Winding up*

The Privateco may be voluntarily liquidated under Part XII of the Companies Act if it has no liabilities and it is able to pay its debts as they become due. A liquidator may, subject to the terms of the Companies Act, be appointed by a resolution of directors or by a resolution of members.

If the Privateco shall be wound up, the liquidator may divide amongst the members in specie or in kind the whole or any part of the assets of the Privateco (whether they shall consist of property of the same kind or not) and may for such purpose set such value as he deems fair upon any such property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributors as the liquidator shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

(II) SUMMARY OF BVI COMPANY LAW

1. Introduction

The Companies Act is derived, to a large extent, from English corporate legislation, although there are significant differences between the Companies Act and English corporate legislation. Set out below is a summary of certain provisions of the Companies Act, although this summary does not purport to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2. Incorporation

The Privateco was incorporated in the BVI as BVI Business Company on 29 May 2012 under the Companies Act. The Privateco is required to pay an annual fee to the Registrar of Corporate Affairs in the BVI which is based on the number of shares the company is authorised to issue.

3. Shares

One of the major features of the Companies Act is that the concept of share capital has been abolished.

Instead, a company limited by, or otherwise authorised to issue shares, can now simply state in its memorandum of association the maximum number and classes of shares that the company is authorised to issue. Companies may also divide their shares (including those shares already in issue) into a larger number of shares or combine them into a smaller number of shares in the same class or series, provided that the maximum number of shares the company is permitted to issue is not exceeded. On any such division or combination of shares the aggregate par value (if any) of the new shares must be equal to the aggregate par value of the original shares.

The directors of a company can, at their discretion, issue shares in registered or bearer form (although in order to issue bearer shares there must be an express authorisation in the memorandum of association and such bearer shares must be held by an approved custodian) for such consideration and on such terms as they may determine.

Shares can be issued for consideration in any form, provided such consideration is not less than par value where the share is a par value share.

If so authorised by its memorandum of association, a company can issue more than one class of shares and, if so, the memorandum of association must also specify the rights, privileges, restrictions and conditions which attach to each class.

The Companies Act provides that companies may issue redeemable shares, shares with no rights, limited rights or preferential rights to share in distributions, or shares with no or special or limited or conditional voting rights. They may also, subject to their memorandum of association and articles of association, issue bonus shares, partly or nil paid shares, and fractional shares.

The Companies Act provides that a company may purchase, redeem or otherwise acquire its own shares, either in accordance with the procedure set out in the Companies Act, or any other procedure as provided for in the memorandum of association and articles of association of the company.

Under the provisions in the Companies Act, the directors may make an offer for the company to purchase, redeem or otherwise acquire shares in the company provided that the offer is either (a) to all shareholders and would, if successful, leave the relative voting and distribution rights unaffected, or (b) to one or more shareholders and consented to in writing by all shareholders, or is otherwise permitted by the memorandum of association or articles of association. Where the offer is to one or more shareholders, the directors must pass a resolution to the effect that in their opinion the purchase, redemption or other acquisition would benefit the remaining shareholders, and the proposed offer is fair and reasonable to the company and the remaining shareholders.

Where an acquisition by a company of its own shares would be treated as a distribution, the conditions imposed on distributions (detailed in paragraph 5 below) must be met. The purchase, redemption or other acquisition by a company of its own shares is not deemed to be a distribution where it is effected pursuant to, inter alia, a right of a shareholder to have his shares redeemed or exchanged for money or other property of the company or where the share is redeemable at the option of the company.

4. Financial assistance

There is no statutory restriction in the BVI on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares.

Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of due care, skill and diligence that they are acting in good faith, for a proper purpose and in the interests of the company, that such assistance can be given.

5. Dividends and distributions

The directors of a company may only declare a distribution by the company if they are satisfied, on reasonable grounds, that the company will, immediately after the distribution, satisfy the solvency test set out in section 57(1) of the Companies Act. A company satisfies the solvency test if the value of its assets exceeds its liabilities and it is able to pay its debts as they fall due.

6. Shareholders' remedies

The Companies Act has introduced a series of remedies available to shareholders. Where a company engages in activity which breaches the Companies Act or the company's memorandum of association and articles of association, the court can issue a restraining or compliance order.

Shareholders can also bring derivative, personal and representative actions under certain circumstances. The traditional English basis for shareholders' remedies has also been incorporated into the Companies Act — where a shareholder of a company considers that the affairs of the company have been, are being or are likely to be conducted in a manner likely to be oppressive, unfairly discriminating or unfairly prejudicial to him, he may apply to the court for an order on such conduct.

7. Mergers and consolidations

Under the Companies Act two or more companies, each a "constituent company", may merge or consolidate.

A merger involves merging two or more companies into one of the constituent companies that will remain as the surviving company and a consolidation involves two or more companies consolidating into a new company. Subject to the memorandum of association and articles of the company a merger or consolidation must be authorised by a resolution of shareholders of every class of shares entitled to vote on the merger.

There are differing procedures depending on the type of merger that is taking place. Under the Companies Act a merger may occur between any of the following:

- (a) Two or more companies incorporated under the Companies Act;

- (b) One or more companies incorporated under the Companies Act and one or more companies incorporated under the laws of a jurisdiction outside the BVI where the BVI company is the surviving entity;
- (c) One or more companies incorporated under the Companies Act and one or more companies incorporated under the laws of a jurisdiction outside the BVI where the foreign company is the surviving entity;
- (d) A parent company and one or more of its subsidiaries where the companies are incorporated under the Companies Act;
- (e) A parent company and one or more of its subsidiaries where one or more of the companies are incorporated under the Companies Act, one or more are incorporated under the laws of a jurisdiction outside the BVI and where the BVI company is the surviving company; or
- (f) A parent company and one or more of its subsidiaries where one or more of the companies are incorporated under the Companies Act, one or more are incorporated under the laws of a jurisdiction outside the BVI and where the foreign company is the surviving entity.

Under the Companies Act, a shareholder of a company is entitled to payment of the fair value of his shares upon dissenting from:

- (a) A merger, if the company is a constituent company, unless the company is the surviving company and the shareholder continues to hold the same or similar shares;
- (b) A consolidation, if the company is a constituent company.

The Companies Act sets out the procedure that must be followed in effecting dissenters' rights. Ultimately, if the company and the dissenter fail to agree on the price to be paid for the shares owned by the dissenter, then the statutory procedure provides that the fair value of the shares owned by the dissenter is fixed by three appraisers.

8. Redemption of minority shares

Under section 176 of the Companies Act and subject to the memorandum of association or articles of association of a company, shareholders of a company holding 90 per cent of the votes of the outstanding shares entitled to vote; and shareholders of a company holding 90 per cent of the votes of the outstanding shares of each class of shares entitled to vote as a class, may give a written instruction to the company directing it to redeem the shares held by the remaining shareholders. Upon receiving this direction, the company must redeem the shares it has been directed to redeem and must give written notice to each shareholder stating the redemption price and the manner by which the redemption will be effected.

The shareholders having their shares compulsorily redeemed are entitled to receive fair value for their shares and may dissent from the compulsory redemption. Section 179 of the Companies Act sets out the procedure that must be followed in effecting dissenters' rights. Ultimately, if the company and the dissenter fail to agree on the price to be paid for the shares owned by the dissenter, then the statutory procedure provides that the fair value of the shares owned by the dissenter is fixed by three appraisers.

9. Disposal of assets

Under the Companies Act and subject to the memorandum of association or articles of association of a company, any sale, transfer, lease, exchange or other disposition, other than a mortgage, charge or other encumbrance or the enforcement thereof, of more than 50 per cent in value of the assets of the company, if not made in the usual or regular course of the business carried on by the company, requires the approval of the shareholders.

The Companies Act sets out the procedure that must be followed in relation to effecting such a disposal.

10. Accounting and auditing requirements

The Companies Act requires that a company shall cause to be kept proper books of account that (a) are sufficient to show and explain the company's transactions; and (b) will, at any time, enable the financial position of the company to be determined with reasonable accuracy.

11. Register of shareholders

A BVI Business Company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside of the BVI, as its directors may, from time to time, think fit. However either the register of members or a copy of the register of members of the BVI Business Company has to be kept at the office of its registered agent in the BVI.

There is no mandatory requirement under the Companies Act for a company to make any filings of shareholder information to the Registrar of Corporate Affairs in the BVI. The names and addresses of the shareholders are, accordingly, not a matter of public record and are not available for public inspection.

12. Inspection of books and records

Subject to the Companies Act, a shareholder of a company will have general right under the Companies Act to inspect or obtain copies of the register of members, the register of directors and minutes of meetings and resolutions of members and of those classes of members of which he is a member. However, subject to the company's memorandum of association and articles of association,

the directors may, if they are satisfied that it would be contrary to the company's interests to allow a shareholder to inspect any document (or part of a document) refuse to permit the shareholder to inspect the document or limit the inspection of the document, including limiting the making of copies or the taking of extracts from the records.

13. Special resolutions

The Companies Act does not define "special resolution". However a company's memorandum of association and articles of association may make provisions for varying threshold levels of votes required to pass a resolution and require that certain matters may only be approved if passed by a certain percentage of votes.

14. Subsidiary owning shares in parent

The Companies Act does not prohibit a BVI company acquiring and holding shares in its parent company. The directors of any subsidiary making such acquisition must discharge their duties of care and to act honestly and in good faith and in what the director believes to be in the best interests of the company.

Under the Companies Act:

- (a) a director of a company that is a wholly-owned subsidiary may, when exercising powers or performing duties as a director, if expressly permitted to do so by the memorandum of association and articles of association of the company, act in a manner which he believes is in the best interests of that company's holding company even though it may not be in the best interests of the company.
- (b) a director of a company that is a subsidiary, but not a wholly-owned subsidiary, may, when exercising powers or performing duties as a director, if expressly permitted to do so by the memorandum of association or articles of association of the company and with the prior agreement of the shareholders, other than its holding company, act in a manner which he believes is in the best interests of that company's holding company even though it may not be in the best interests of the company.
- (c) a director of a company that is carrying out a joint venture between the shareholders may, when exercising powers or performing duties as a director in connection with the carrying out of the joint venture, if expressly permitted to do so by the memorandum of association or articles of association of the company, act in a manner which he believes is in the best interests of a shareholder or shareholders, even though it may not be in the best interests of the company.

15. Indemnification

BVI law in general does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, subject to the conditions set out in the Companies Act (e.g. the officer or director has acted honestly and in good faith and in what he believed to be in the best interests of the company and, in the case of criminal proceedings, that officer or director had no reasonable cause to believe that his conduct was unlawful).

16. Liquidation

A company is placed in liquidation either by an order of the court or by a resolution of directors or shareholders. A liquidator is appointed whose duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, rateably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

17. Stamp duty on transfers

No stamp duty is payable in the BVI on transfers of shares of BVI companies.

18. Taxation

Companies incorporated or registered under the Companies Act are currently exempt from income and corporate tax. In addition, the British Virgin Islands currently does not levy capital gains tax on companies incorporated or registered under the Companies Act.

19. Exchange control

There are no exchange control regulations or currency restrictions in the BVI.

20. General

Any person wishing to have a detailed summary of BVI company law or advice on the differences between it and the laws of any jurisdiction with which he/she is more familiar is recommended to seek independent legal advice.

Maples and Calder have sent to Privateco a letter of advice summarising aspects of BVI company law. This letter of advice, together with a copy of the Companies Act, is available for inspection as referred to in the paragraphed "Documents available for inspection" in Appendix VI to this Composite Document.

1. RESPONSIBILITY STATEMENT

The Privateco Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to WTPIL or Wing Tai) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by WTPIL or Wing Tai) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

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

2. SHARE CAPITAL

The authorised and issued share capital of the Privateco as at the Latest Practicable Date were as follows:

<i>Authorised</i>		<i>HK\$</i>
<u>300,000,000</u>	Privateco Shares of HK\$0.01 each as at the Latest Practicable Date	<u>3,000,000</u>
<i>Issued and fully paid or credited as fully paid:</i>		
1	Privateco Share allotted and issued on 6 June 2012	
<u>259,685,287</u>	Privateco Shares allotted and issued on 18 June 2012	<u>2,596,852.87</u>
<u>259,685,288</u>	Privateco Shares as at the Latest Practicable Date	<u>2,596,852.88</u>

Save for (i) the initial allotment of one Privateco Share to Winsor on 6 June 2012 after the incorporation of Privateco and (ii) the 259,685,287 Privateco Shares allotted and issued on 18 June 2012 pursuant to the Group Reorganisation, Privateco has not issued any Privateco Shares since 29 May 2012, the date of incorporation of Privateco.

All Privateco Shares in issue rank *pari passu* in all respects with each other including all rights as regards rights to dividends, voting and return of capital.

As at the Latest Practicable Date, the Privateco Group did not have any outstanding options, warrants, derivatives or other securities carrying rights of conversion into or exchange or subscription for the Privateco Shares.

3. SHAREHOLDINGS AND DEALINGS

(a) Interests in Privateco

I. Interests of WTPIL, the WTPIL Directors and persons acting in concert with WTPIL in Privateco

As at the Latest Practicable Date, the shareholdings of Privateco in which WTPIL, Wing Tai, the WTPIL Directors and any persons acting in concert with WTPIL and Wing Tai were interested (as defined in Note 3 to paragraph 4 of Schedule I of the Takeovers Code), were as follows:

Name	Number of ordinary shares held				Aggregate interests	Approx. percentage of the issued share capital in Privateco (Note 1)
	Personal interests	Family interests	Corporate interests	Other interests		
WTPIL	—	—	205,835,845	—	205,835,845	79.26%
Wing Tai (Note 3)	—	—	205,835,845	—	205,835,845	79.26%
Cheng Wai Chee, Christopher (Notes 4 and 5)	—	27,000	—	205,835,845 (Note 2)	205,862,845	79.27%
Cheng Wai Sun, Edward (Notes 4 and 5)	—	—	—	205,835,845 (Note 2)	205,835,845	79.26%
Cheng Man Piu, Francis (Note 5)	—	—	—	205,835,845 (Note 2)	205,835,845	79.26%
Chow Wai Wai, John (Note 5)	2,713,000	—	—	—	2,713,000	1.04%
Kwok Ping Luen, Raymond (Note 5)	500	—	—	—	500	0.0002%
Chen Chou Mei Mei, Vivien (Note 6)	70,000	—	—	—	70,000	0.03%
Cheng Chan Sau Ching, Ivy (Note 7)	27,000	—	—	—	27,000	0.01%

Notes:

1. The total number of issued shares in the capital of Privateco as at the Latest Practicable Date was 259,685,288.
2. Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward and Cheng Man Piu, Francis, being beneficiaries of a family trust, were deemed to be interested in 205,835,845 Privateco Shares beneficially owned by WTPIL. These interests represented the same interests and were therefore duplicated amongst these three Wing Tai Directors.
3. WTPIL is a wholly-owned subsidiary of Wing Tai.
4. Cheng Wai Chee, Christopher and Cheng Wai Sun, Edward are WTPIL Directors.

5. Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Cheng Man Piu, Francis, Chow Wai Wai, John and Kwok Ping Luen, Raymond are Wing Tai Directors and are therefore persons acting in concert with WTPIL and with Wing Tai.
6. Chen Chou Mei Mei, Vivien is the cousin of Chow Chow Wai Wai, John, who is a Wing Tai Director.
7. Cheng Chan Sau Ching, Ivy is the wife of Cheng Wai Chee, Christopher, a Wing Tai Director, and is therefore a person acting in concert with WTPIL and with Wing Tai. These interests represented the same family interests as disclosed in the above interests of Cheng Wai Chee, Christopher.

Save as disclosed above, none of WTPIL, Wing Tai, the WTPIL Directors or any persons acting in concert with any of WTPIL and Wing Tai had any interest (as defined in Note 3 to paragraph 4 of Schedule I of the Takeovers Code) in Privateco Shares or any convertible securities, warrants, options or derivatives in respect of Privateco Shares as at the Latest Practicable Date.

II. *Interests of the Privateco Directors in Privateco*

As at the Latest Practicable Date, the shareholdings in Privateco in which the Privateco Directors were interested (as defined in Note 3 to paragraph 4 of Schedule I of the Takeovers Code) were as follows:

Director	Number of ordinary shares held				Aggregate interests	Approx. percentage of the issued share capital of Winsor (Note 1)
	Personal interests	Family interests	Corporate interests	Other interests		
Chow Wai Wai, John	2,713,000	—	—	—	2,713,000	1.04%

(b) **Dealings in securities of Privateco**

During the Relevant Period, save for the Distribution In Specie under which 2,713,000 Privateco Shares were distributed to Chow Wai Wai, John, none of the Privateco Directors had dealt for value in Privateco Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into the Privateco Shares.

During the Relevant Period, save for the Distribution In Specie under which 162,844,458, 42,991,387 and 2,810,500 Privateco Shares were distributed to Wing Tai, Twin Dragon and the Wing Tai Connected Persons, respectively, none of WTPIL, Wing Tai, the WTPIL Directors or parties acting in concert with WTPIL and Wing Tai had dealt in the Privateco Shares, warrants, options, derivatives and securities carrying conversion or subscription rights in the Privateco Shares.

During the Relevant Period, none of WTPIL, Wing Tai, the WTPIL Directors and parties acting in concert with WTPIL and Wing Tai borrowed or lent any Privateco Shares or other securities of Privateco carrying voting rights, or convertible securities, warrants, options or derivatives of Privateco.

Furthermore, during the Relevant Period,

- (i) none of the subsidiaries of Privateco, pension funds of the Privateco Group or advisers to Privateco as specified in class (2) of the definition of associate under the Takeovers Code had any shareholdings or dealings in any Privateco Shares, warrants, options, derivatives and securities carrying conversion or subscription rights into the Privateco Shares; and
- (ii) no fund managers connected with Privateco had any dealings in any Privateco Shares, warrants, options, derivatives or securities carrying conversion or subscription rights into Privateco Shares.

(c) Interests in WTPIL and Wing Tai

I. Interests of Privateco and the Privateco Directors in WTPIL and Wing Tai

As at the Latest Practicable Date, Privateco was not interested (as defined in Note 3 to paragraph 2 of Schedule II of the Takeovers Code) in any shares, convertible securities, warrants options or derivatives of WTPIL or Wing Tai, the parent company of WTPIL.

As at the Latest Practicable Date, the Privateco Directors were not interested (as defined in Note 3 to paragraph 2 of Schedule II of the Takeovers Code) in any shares, convertible securities, warrants options or derivatives of WTPIL.

As at the Latest Practicable Date, the shareholdings of Wing Tai, the parent company of WTPIL, in which the Privateco Directors were interested (as defined in Note 3 to paragraph 2 of Schedule II of the Takeovers Code) were as follows:

Director	Number of ordinary shares held				Number of underlying shares held under equity derivatives (Note 2)	Aggregate interests	Approx. percentage of the issued share capital of Wing Tai (Note 1)
	Personal interests	Family interests	Corporate interests	Other interests			
Chow Wai Wai, John	200,002	—	—	—	—	200,002	0.02%
Au Hing Lun, Dennis	2,364,747	—	—	—	959,250	3,323,997	0.25%

Notes:

1. The total number of issued Wing Tai shares as at the Latest Practicable Date was 1,332,257,279.

2. These interests represented the interests in underlying shares in respect of the incentive shares granted by Wing Tai to Au Hing Lun, Dennis (in his capacity as a Wing Tai Director) as beneficial owner under the share incentive scheme of Wing Tai under which awards of the incentive shares are rights given to selected employees (including directors) to subscribe in cash for shares in Wing Tai.

Save as disclosed above, none of the Privateco Directors had any interest (as defined in Note 3 to paragraph 2 of Schedule II of the Takeovers Code) in any shares, convertible securities, warrants, options or derivatives of Wing Tai as at the Latest Practicable Date.

(d) Dealings in securities of WTPIL and Wing Tai

During the Relevant Period, neither Privateco nor any of the Privateco Directors had any dealings in shares of WTPIL, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of WTPIL or any dealings in shares of Wing Tai, warrants, options, derivatives and securities carrying conversion or subscription rights into shares of Wing Tai.

(e) Miscellaneous

As at the Latest Practicable Date,

- (i) save for the Distribution In Specie, no person had any arrangement of the kind described in note 8 to Rule 22 of the Takeovers Code with Privateco or any person who is an associate of Privateco by virtue of classes (1), (2), (3) and (4) of the definition of associate under the Takeovers Code;
- (ii) none of WTPIL, Wing Tai, their respective associates, or any person acting in concert with any of them had any arrangement or indemnity of the kind described in note 8 to Rule 22 of the Takeovers Code with any person;
- (iii) no person had irrevocably committed themselves to accept or reject the Privateco Offer;
- (iv) no shareholding in Privateco was managed on a discretionary basis by fund managers connected with Privateco;
- (v) Chow Wai Wai, John, who is a Privateco Director, intends to accept the Privateco Offer in respect of all the Privateco Shares beneficially held by him;
- (vi) no benefit (other than statutory compensation) has been or will be given to any Privateco Director as compensation for loss of office or otherwise in connection with the Privateco Offer;
- (vii) save for the Special Deals, there was no agreement, arrangement or understanding (including any compensation arrangement) between WTPIL, Wing Tai or any person acting in concert with any of them and any director, recent director, shareholder or recent shareholder of Privateco which had any connection with or dependence upon the Privateco Offer;

- (viii) there was no agreement, arrangement or understanding whereby any securities to be acquired pursuant to the Privateco Offer will be transferred, charged or pledged to any other persons;
- (ix) there was no material contract entered into by WTPIL or Wing Tai in which any Privateco Director has any material personal interest;
- (x) neither Privateco nor any of the Privateco Directors had borrowed or lent any Privateco Shares; and
- (xi) there was no agreement or arrangement between any Privateco Director and any other person which is conditional on or dependent upon the outcome of the Privateco Offer or otherwise connected with the Privateco Offer.

4. MARKET PRICES

As the Privateco Shares are not listed on the Stock Exchange or any other stock exchanges, there is no information in relation to the prices of the Privateco Shares quoted on the Stock Exchange or any other stock exchanges.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date there was no service contract with Privateco or any of its subsidiaries or associated companies in force for the Privateco Directors which: (i) (including both continuous and fixed term contracts) has been entered into or amended during the Relevant Period; (ii) is a continuous contract with a notice period of 12 months or more; or (iii) is a fixed term contract with more than 12 months to run irrespective of the notice period.

6. MATERIAL CONTRACTS

The following contracts (not being a contract entered into in the ordinary course of business of the Privateco Group) were entered into by members of the Privateco Group within the two years immediately preceding the commencement of the offer period for the Privateco Offer, being 14 May 2012, and are or may be material:

- (a) a deed of adherence and amendments to shareholders' agreement dated 6 May 2011 and entered into between Winsor, Wing Tai, Success Grab Investments Limited ("**Success Grab**"), Dragon Eye Holding Limited ("**Dragon Eye**") and Fore Prosper Limited ("**Fore Prosper**") (the "**Deed of Adherence**"). Pursuant to the Deed of Adherence, Winsor had undertaken to adhere to and be bound by the provisions of the shareholders' agreement dated 23 June 2004 between Success Grab, USI Holdings Limited (former name of Wing Tai), Dragon Eye, MSREF TMK Holding, LLC and Fore Prosper (the "**Shareholders' Agreement**"). The Deed of Adherence was conditional upon completion of the purchase by Winsor of the entire issued share capital of Dragon Eye (the "**Dragon Eye Shares**") from independent third parties, being MSREF IV TE Holding, L.P., Morgan Stanley Real Estate Fund IV International-T, L.P., Morgan Stanley Real Estate Investors IV

International, L.P. and Morgan Stanley Real Estate Fund IV Special International, L.P. The purchase by Winsor of the Dragon Eye Shares was completed on 30 June 2011 and the Shareholders' Agreement, as amended by the Deed of Adherence, came into effect as from that date. Following the completion of the purchase by Winsor of the Dragon Eye Shares, Dragon Eye became a wholly-owned subsidiary of Winsor and Fore Prosper became a 40% associated company of the Winsor Group. Following the Group Reorganisation and the Distribution In Specie, Dragon Eye became a wholly-owned subsidiary of Privateco and Fore Prosper became a 40% associated company of the Privateco Group and Dragon Eye ceased to be a member of, and Fore Prosper ceased to be an associated company of, the Winsor Group;

- (b) on 23 August 2010, Unimix Properties Limited ("**Unimix Properties**") entered into a sale and purchase agreement with Sun Win Development Limited ("**Sun Win**") pursuant to which Unimix Properties agreed to sell and Sun Win agreed to purchase a property known as Unimix Industrial Centre at No. 2 Ng Fong Street, San Po Kong, Kowloon, Hong Kong. The consideration for the property was HK\$601,000,000 in cash. Unimix Properties was a wholly-owned subsidiary of Winsor before the Group Reorganisation and the Distribution In Specie and is a wholly-owned subsidiary of Privateco after the Group Reorganisation and the Distribution In Specie;
- (c) on 21 July 2010, Libro Estates Limited ("**Libro Estates**") entered into a sale and purchase agreement with Mansion Industries Limited ("**Mansion Industries**") pursuant to which Libro Estates agreed to sell and Mansion Industries agreed to purchase a property known as Lucky Industrial Building at Nos. 18-24 Kwai Hei Street, Kwai Chung, New Territories, Hong Kong. The consideration for the property was HK\$348,000,000 in cash. Libro Estates was a wholly-owned subsidiary of Winsor before the Group Reorganisation and the Distribution In Specie and is a wholly-owned subsidiary of Privateco after the Group Reorganisation and the Distribution In Specie;
- (d) on 18 June 2012, Privateco and Future Best Developments Limited entered into the Management Agreement under which Privateco had agreed to procure the continued provision of company secretarial, bookkeeping and other administrative services, property management services and brokerage and agency services for the leasing and sale of property by members of the Privateco Group to members of the Remaining Group. The services provided are to be on a basis consistent with the provision of such services to members of the Remaining Group over the 12 months immediately preceding the date of the Share Sale Agreement (including as to pricing). Either party may terminate the Management Agreement on giving one month's written notice.

The Management Agreement, which constituted a special deal under the Takeovers Code, was conditional upon, among other things, completion of the Group Reorganisation, the Distribution In Specie and consent from the Executive in accordance with Rule 25 of the Takeovers Code. The last of the conditions was satisfied on 16 July 2012 and accordingly the Management Agreement became effective as from that date.

7. LITIGATION

As at the Latest Practicable Date, neither Privateco nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Privateco Directors to be pending or threatened by or against Privateco or any of its subsidiaries.

8. QUALIFICATIONS AND CONSENT OF EXPERTS

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

Name	Qualification
Maples and Calder	BVI legal advisers to Privateco
PricewaterhouseCoopers	Certified Public Accountants
Standard Chartered Bank (Hong Kong) Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and the financial adviser to WTPIL
Somerley Limited	A corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and the independent financial adviser to the Independent Privateco Shareholders
B.I. Appraisals Limited	Independent property valuers
CBRE Pte. Ltd.	Independent property valuers
Jones Lang LaSalle Limited	Independent property valuers
Savills Valuation and Professional Services Limited	Independent property valuers

Each of Maples and Calder, PricewaterhouseCoopers, Standard Chartered Bank (Hong Kong) Limited, Somerley Limited, B.I. Appraisals Limited, CBRE Pte. Ltd., Jones Lang LaSalle Limited and Savills Valuation and Professional Services Limited has given and has not withdrawn its consent to the issue of this Composite Document with the inclusion of its report or letter (as the case may be) and references to its name included in the form and context in which it respectively appears.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection from the date of this Composite Document up to and including the Closing Date (i) between 9:00 a.m. and 5:00 p.m. Monday to Friday, excluding public holidays, at 27th Floor, Two Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong; (ii) on the website of the SFC (www.sfc.hk); and (iii) on the website of Wing Tai (www.wingtaiproperties.com):

- (a) the memorandum and articles of association of WTPIL;
- (b) the material contracts referred to in this Appendix;
- (c) the accountant's report of the Privateco Group from PricewaterhouseCoopers dated 20 June 2012;
- (d) the accountant's report on the unaudited pro forma financial information of the Privateco Group from PricewaterhouseCoopers dated 20 June 2012;
- (e) the property valuation reports on the properties comprised in the Distributed Businesses prepared by B.I. Appraisals Limited, CBRE Pte. Ltd., Jones Lang LaSalle Limited and Savills Valuation and Professional Services Limited as set out in Appendix IV to this Composite Document;
- (f) the letter of advice from Maples and Calder summarising aspects of BVI company law and a copy of the Companies Act;
- (g) the letter of advice from Somerley as set out in this Composite Document;
- (h) the written consents referred to in the paragraph headed "Qualification and consent of experts" in this Appendix;
- (i) the memorandum and articles of association of Privateco; and
- (j) this Composite Document.

10. MISCELLANEOUS

- (a) WTPIL is a wholly-owned subsidiary of Wing Tai, which is in turn ultimately owned (through Wing Tai Holdings Limited) by Deutsche Bank International Trust Co. (Cayman) Limited as to 34.71%. Deutsche Bank International Trust Co. (Cayman) Limited is the trustee of a unit trust, all the units of which are held by Deutsche Bank International Trust Co. Limited, which is in turn the trustee of a family trust (of which Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward and Cheng Man Piu, Francis (who are Wing Tai Directors) are beneficiaries).

- (b) As at the date of this Composite Document, the WTPIL Directors are Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Au Hing Lun, Dennis and Fung Ching Man, Janet.

- (c) As at the date of this Composite Document, the Wing Tai Directors are as follows:

Executive Directors: Cheng Wai Chee, Christopher; Cheng Wai Sun, Edward; Cheng Man Piu, Francis; Chow Wai Wai, John; and Au Hing Lun, Dennis

Non-executive Directors: Kwok Ping Luen, Raymond; Yung Wing Chung (also an alternate to Kwok Ping Luen, Raymond); Hong Pak Cheung, William; Loh Soo Eng; and Ng Tak Wai Frederick

Independent non-executive Directors: Simon Murray; Fang Hung, Kenneth; and Yeung Kit Shing, Jackson.

- (d) The registered office of WTPIL is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, the British Virgin Islands and the correspondence address of WTPIL in Hong Kong is 27th Floor, Two Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong.
- (e) The registered office of Privateco is at Kingston Chambers, PO Box 173, Road Town, Tortola, the British Virgin Islands and the correspondence address of Privateco in Hong Kong is 27th Floor, Two Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong.
- (f) The registered office of Wing Tai is at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and the head office and principal place of business of Wing Tai is 27th Floor, Two Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong.
- (g) The registered office of Standard Chartered Bank (Hong Kong) Limited is at 32/F, Standard Chartered Bank Building, 4-4A Des Voeux Road, Central, Hong Kong.
- (h) The registered office of Somerley Limited is at 10th Floor, The Hong Kong Club Building, 3A Chater Road, Central, Hong Kong.
- (i) The English text of this Composite Document and the Form of Acceptance and Transfer shall prevail over the Chinese text in the case of inconsistency.

BOX A 甲欄	NAME(S) AND ADDRESS OF REGISTERED PRIVATECO SHAREHOLDER(S) 已登記私人公司股東之姓名及地址
BOX B 乙欄	REGISTERED HOLDING OF PRIVATECO SHARES OF HK\$0.01 EACH AT THE RECORD DATE ON 13 JULY 2012 (equivalent to entitlement to number of Privateco Shares) 於二零一二年七月十三日記錄日期所登記持有之每股面值0.01港元之私人公司股份數目 (相當於有權獲取之私人公司股份數目)

CHERRYTIME INVESTMENTS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

(於英屬處女群島註冊成立之有限公司)

All words and expressions defined in the composite offer and response document dated on or around 23 July, 2012 jointly issued by Wing Tai Properties Investment Limited and Cherrytime Investments Limited (as the same may be subsequently amended, supplemented or modified) (the “**Composite Document**”) shall, unless the context otherwise requires, have the same meaning when used in this form. The provisions of Appendix I of the Composite Document are incorporated into and form part of this form.

除文義另有所指外，本表格所用之所有詞彙及表述與永泰地產投資有限公司及Cherrytime Investments Limited於二零一二年七月二十三日或前後聯合發出之綜合要約及回應文件(其後可能作出修訂、補充或修改) (「**綜合文件**」) 所界定者具相同涵義。綜合文件附錄一之條文，已收錄及成為本表格之一部分。

FORM OF ACCEPTANCE AND TRANSFER OF SHARE(S) OF HK\$0.01 EACH IN THE ISSUED SHARE CAPITAL OF

CHERRYTIME INVESTMENTS LIMITED

CHERRYTIME INVESTMENTS LIMITED 已發行股本中每股面值0.01港元之股份之接納及過戶表格

This form must be completed in full

本表格每項均須填寫

Transfer Agent:
過戶代理：

Computershare
Hong Kong
Investor Services
Limited
Shops 1712-1716,
17th Floor
Hopewell Centre
183 Queen’s Road
East, Wan Chai,
Hong Kong
香港中央證券
登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712至1716號舖

Note: Insert the total
number of
Privateco Shares
for which the
Privateco Offer
is accepted.
If no number is inserted
or a number in excess of
your registered holding
of Privateco Shares is
inserted, you will be
deemed to have accepted
the Privateco Offer
in respect of
your entire
registered
holding of Privateco
Shares.

附註：請填寫接納私人
公司要約之私人公司
股份總數。
如無填寫數目或填寫之
數目超過閣下登記
持有之私人公司股份，
則視為閣下就名下
全部登記持有之私人
公司股份接納私人公司
要約函。

FOR THE CONSIDERATION stated below, the registered shareholder(s) named in Box A above (“**Transferor(s)**”) hereby transfer(s) to the “**Transferee**” named below the share(s) of HK\$0.01 each in the issued share capital of CHERRYTIME INVESTMENTS LIMITED (“**Privateco Shares**”) specified below.
上文甲欄所述之登記股東(「**轉讓人**」)現按下列代價，將下列CHERRYTIME INVESTMENTS LIMITED已發行股本中每股面值0.01港元之股份(「**私人公司股份**」)轉讓予下述之「**承讓人**」。

Number of Privateco Share(s)(Note) 私人公司股份之數目(附註)	Figures 數目	Words 大寫
CONSIDERATION 代價	Cash: HK\$27.60 in cash for each Privateco Share 現金：每股私人公司股份現金27.60港元	
TRANSFEEE 承讓人	Name 名稱	: WING TAI PROPERTIES INVESTMENT LIMITED (“WTPIL”) 永泰地產投資有限公司 (「永泰地產投資」)
	Correspondence address 通訊地址	: 27th Floor, Two Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong 香港九龍觀塘巧明街100號Two Landmark East 27樓
	Occupation 職業	: Corporation法團

Signed by the Transferor(s) in the presence of:
轉讓人在下列見證人見證下簽署：
SIGNATURE OF WITNESS 見證人簽署

NAME OF WITNESS 見證人姓名

Address 地址

Occupation 職業

ALL JOINT
HOLDERS
MUST SIGN HERE
所有聯名
持有人均須於
本欄簽署

Signature(s) of Transferor(s)
轉讓人簽署

Telephone number of Transferor(s)
轉讓人聯絡電話

Date of Submission of this Form of Acceptance and Transfer
提交本接納及過戶表格日期

The signing Privateco Shareholder(s) hereby acknowledge(s) that the Privateco Offer is conditional upon the terms and conditions as set out in the Composite Document and that the signing and submission of this Form of Acceptance and Transfer by the signing Privateco Shareholder(s) do not render the transfer of Privateco Shares contemplated hereunder effective. The transfer of Privateco Shares contemplated hereunder shall be subject to the signing by the Transferee on the date of transfer stated below.

署名私人公司股東茲確認私人公司要約須待綜合文件所載條款及條件達成後方可作實，且由署名私人公司股東簽署及呈交之本接納及過戶表格並不令據此進行之私人公司股份轉讓生效。據此進行之私人公司股份轉讓須於下文所述轉讓日期由承讓人簽署。

DO NOT COMPLETE 請勿填寫本欄

For and on behalf of 代表
Wing Tai Properties Investment Limited永泰地產投資有限公司

Signed by the Transferee in the presence of:
承讓人在下列見證人見證下簽署：

Name of Witness 見證人姓名

Signature of Witness 見證人簽署

Address 地址

Occupation 職業

Date of transfer 轉讓日期

Signature(s) of Transferee or its duly authorised agent(s)
承讓人或其正式授權代理人簽署

THIS FORM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares of HK\$0.01 each (“Privateco Shares”) in the issued share capital of CHERRYTIME INVESTMENTS LIMITED (“Privateco”), you should at once hand this form of acceptance and transfer and the accompanying **Composite Document** to the purchaser or the transferee, or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

The making of the Privateco Offer or the acceptance thereof by persons not being a resident of Hong Kong or with a registered address in jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. Independent Privateco Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions. It is the responsibility any such persons who wish to accept the Privateco Offer to satisfy themselves as to the full observance of all applicable legal and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction. Any acceptance by any such persons will be deemed to constitute a representation and warranty from such person to WTPIL that he/she is permitted under all applicable laws and regulations to receive and accept the Privateco Offer, and any revision thereof, and that, such acceptance shall be valid and binding in accordance with applicable laws. Independent Privateco Shareholders should consult their professional adviser if in doubt.

HOW TO COMPLETE THIS FORM

You should read the Composite Document before completing this form. To accept the voluntary unconditional cash offer for the Privateco Shares (the “Privateco Offer”) made by Standard Chartered Bank (Hong Kong) Limited (“SCB”) on behalf of Wing Tai Properties Investment Limited (“WTPIL”) to acquire your Privateco Shares at a cash price of HK\$27.60 each, you should duly complete and sign this form and forward this entire form by post or by hand, marked “Cherrytime Investments Limited Offer” on the envelope, to, and which should also reach, the Transfer Agent, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by no later than 4:00 p.m. on Monday, 13 August 2012 (the “Closing Date”). If you have made a written request for a share certificate in respect of the Privateco Shares held by you to the Transfer Agent prior to the Closing Date, then in order to accept the Privateco Offer, the share certificate(s) in respect of your Privateco Shares must be submitted to the Transfer Agent together with this form duly completed and signed by you.

FORM OF ACCEPTANCE AND TRANSFER IN RESPECT OF THE PRIVATECO OFFER

To: SCB and WTPIL

1. My/Our execution of this form of acceptance and transfer overleaf which shall be binding on my/our successors and assignees shall constitute:

- (i) my/our irrevocable instruction and authority to each of WTPIL and/or SCB and/or their respective agent(s), in relation to the number of Privateco Shares tendered under the Privateco Offer, to send a cheque crossed “Not Negotiable - Account Payee Only” drawn in my/our favour for the consideration to which I/we shall have become entitled under the terms of the Privateco Offer, by ordinary post at my/our risk to the person named below or, if no name and/or address is stated below, to me/ to the first-named Privateco Shareholder of joint registered holders of Privateco Shares at the address shown in the register of members of Privateco;

(Here insert name and address of the person to whom the cheque is to be sent if different from the registered Privateco Shareholder or the first-named Privateco Shareholder of joint registered holders of Privateco Shares.)

Name: (in block capitals) _____

Address: (in block capitals) _____

- (ii) my/our irrevocable instruction and authority to each of WTPIL and/or SCB and/or such person or persons as any of WTPIL or SCB may direct to complete and execute any document on my/our behalf and to do any other act that may be necessary or expedient for the purpose of vesting my/our Privateco Shares in WTPIL or such person or persons as it may direct, in respect of which such person has accepted the Privateco Offer;
- (iii) my/our undertaking to execute such further documents and to do such acts and things by way of further assurance as may be necessary or desirable to transfer my/our Privateco Shares tendered under the Privateco Offer to WTPIL or such person or persons as it may direct free from all rights of pre-emption, options, liens, claims, equities charges, encumbrances and third party rights of any nature and together with all rights attaching or accruing thereto including the right to receive all dividends and distributions declared, made or paid on or after the date of the issue of my/our Privateco Shares; and
- (iv) my/our agreement to ratify each and every act or thing which may be done or effected by WTPIL or SCB or any of their respective agent(s) or such person or persons as it/they may direct on the exercise of any of the authorities contained herein.
2. In the event of the Privateco Offer lapsing or in the event that my/our acceptance is not valid in accordance with the terms of the Privateco Offer, all instructions, authorisations and undertakings contained in paragraph 1 above shall cease and in which event, I/we hereby irrevocably authorise and request you to return to me/us this form duly cancelled, by ordinary post at my/our risk to the person named in paragraph 1(i) above or, if no name and/or address is stated above, to me or the first-named Privateco Shareholder (in the case of joint registered holders of Privateco Shares) at the address shown in the register of members of Privateco.
3. I/We understand and agree that cheque(s) issued for acceptance of the Privateco Offer not presented for payment within six months from the date of issue of the relevant cheques will not be honoured and will be of no further effect and that, in such circumstances, I/we should contact WTPIL for payment.
4. I/We hereby warrant to you that I am/we are the registered holder(s) of the number of Privateco Shares specified in this form and that I/ we have the full right, power and authority to sell and pass the title and ownership of such Privateco Shares to WTPIL by way of acceptance of the Privateco Offer.
5. I/We hereby warrant and undertake to WTPIL and/or SCB and/or Privateco that I/we have satisfied the laws of the jurisdiction where my/our address is stated in the register of members of Privateco in connection with my/our acceptance of the Privateco Offer, including the obtaining of any governmental, exchange control or other consent which may be required to comply with other necessary formalities or legal requirements.
6. I/We understand that acceptance of the Privateco Offer by me/us will be deemed to constitute a warranty by me/us to WTPIL, Privateco and SCB that (a) the number of Privateco Share(s) specified in this form will be sold free from all rights of pre-emption, options, liens, claim, equities, charges, encumbrances or third party rights of any nature and the relevant Privateco Shares are sold with all rights attaching or accruing thereto, including the right to receive all dividends and distributions declared, paid or made on or after the date of the issue of those Privateco Shares; and (b) I/we have not taken or omitted to take any action which will or may result in WTPIL, Privateco, SCB or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the Privateco Offer or my/our acceptance thereof, and am/ are permitted under all applicable laws to receive and accept the Privateco Offer, and any revision thereof, and that such acceptance is valid and binding in accordance with all applicable laws.
7. I/We undertake to WTPIL and/or SCB and/or Privateco that I/we shall be responsible for the payment of any transfer or other taxes payable in respect of the jurisdiction where my/our address is located as set out in the register of members of Privateco.
8. I/We acknowledge that, save as expressly provided in the Composite Document and in this form, all acceptances, instructions, authorities and undertakings hereby given shall be irrevocable.
9. I/We understand that no acknowledgement of receipt of this form by the Transfer Agent will be given.
10. I/We irrevocably undertake, represent, warrant and agree to and with WTPIL and SCB (so as to bind my/our successors and assigns) that in respect of the Privateco Shares which are accepted or deemed to have been accepted under the Privateco Offer, which acceptance has not been validly withdrawn, and which have not been registered in the name of WTPIL or as it may direct, to give:
- (a) an authority to Privateco and/or its agents from me/us to send any notice, circular, warrant or other document or communication which may be required to be sent to me/us as a member of Privateco to WTPIL;
- (b) an irrevocable authority to WTPIL or its agents to sign any consent to short notice of any general meeting of Privateco on my/our behalf and/or to attend and/or to execute a form of proxy in respect of such Privateco Shares appointing any person nominated by WTPIL to attend such general meeting (or any adjournment thereof) and to exercise the votes attaching to such Privateco Shares on my/our behalf, such votes to be cast in a manner to be determined at the sole discretion of WTPIL subject to the Takeovers Code (if applicable); and
- (c) my/our agreement not to exercise any of such rights without the consent of WTPIL and my/our irrevocable undertaking not to appoint a proxy for, or to attend any, such general meeting and subject as aforesaid, to the extent I/we have previously appointed a proxy, other than WTPIL or its nominee or appointee, for or to attend or to vote at the general meeting of Privateco, I/we hereby expressly revoke such appointment.

本 表 格 乃 要 件 ， 請 即 處 理

閣下如對本表格任何方面或應採取之行動有任何疑問，應諮詢持牌證券交易商或註冊證券機構、銀行經理、律師、專業會計師或其他專業顧問。

閣下如已出售或轉讓名下之全部CHERRYTIME INVESTMENTS LIMITED (「私人公司」)已發行股本中每股面值0.01港元之股份(「私人公司股份」)，應立即將本接納及過戶表格與隨附綜合文件送交買主或承讓人，或經手出售或轉讓之持牌證券交易商或註冊證券機構或其他代理，以便轉交買主或承讓人。

向非香港居民或登記地址位於香港境外司法權區之人士提呈私人公司要約或該等人士接納私人公司要約，或會受到有關司法權區法例影響。獨立私人公司股東如為香港境外司法權區之市民、居民或擁有當地國籍之人士，應自行了解及遵守彼等所屬司法權區任何適用法律規定。任何該等人士如欲接納該私人公司要約，有責任就此自行全面遵守有關司法權區之所有適用法律及監管規定，包括取得可能需要之任何政府、外匯管制或其他同意，或遵守其他所需手續及支付該等司法權區之任何發行、過戶手續費或其他應繳稅項。任何該等人士之任何接納將被視為構成該名人士對永泰地產投資之聲明及保證，即根據一切適用法例及規例彼獲准接獲並接納該私人公司要約及其任何修訂，而根據適用法例相關接納應屬有效且具有約束力。獨立私人公司股東如有任何疑問，應諮詢彼等之專業顧問。

如 何 填 寫 本 表 格

閣下務請細閱綜合文件後，方填寫本表格。閣下如接納由渣打銀行(香港)有限公司(「渣打」)代表永泰地產投資有限公司(「永泰地產投資」)就私人公司股份提出之自願無條件現金要約(「私人公司要約」)，以每股27.60港元之現金價格收購閣下之私人公司股份，則應填妥並簽署本表格，並於二零一二年八月十三日星期一(「截止日期」)下午四時正前將整份表格寄抵或送達過戶代理香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖，信封面請註明「Cherrytime Investments Limited要約」。如閣下已於截止日期前以書面方式向過戶代理索取閣下所持私人公司股份之股票，則為接納私人公司要約，閣下之私人公司股份之股票須連同閣下填妥及簽署之本表格一併呈交過戶代理。

私 人 公 司 要 約 的 接 納 及 過 戶 表 格

致： 渣打及永泰地產投資

1. 本人／吾等簽立背頁之接納及過戶表格，本人／吾等之承繼人及承讓人亦須受此約束，且構成：

- (i) 本人／吾等不可撤回地指示並授權永泰地產投資及／或渣打及／或彼等各自之代理各自就根據私人公司要約交回之私人公司股份數目，將本人／吾等按私人公司要約條款有權獲得之代價，以「不得轉讓—只准入抬頭人賬戶」方式開出劃線支票予本人／吾等，然後以普通郵遞方式寄往下列人士(如並無於下欄列明姓名及／或地址，則按私人公司股東名冊所示地址寄往本人／名列首位之私人公司股份聯名登記持有人之私人公司股東)，郵誤風險由本人／吾等自行承擔；

(如收取支票之人士及地址並非私人公司登記股東或名列首位之私人公司股份聯名登記持有人之私人公司股東所登記之姓名及地址，則請在本欄填上收取支票人士之姓名及地址。)

姓名：(請用正楷填寫) _____

地址：(請用正楷填寫) _____

- (ii) 本人／吾等不可撤回地指示並授權永泰地產投資及／或渣打及／或任何永泰地產投資或渣打可能指定之一名或多名人士，各自代表本人／吾等填寫及簽立任何文件，及採取必要或權宜之任何其他行動，使本人／吾等之私人公司股份轉歸永泰地產投資或其可能指定之有關一名或多名人士(就有關股份而言，該人士已接納私人公司要約)；

- (iii) 本人／吾等承諾於有需要或適當時簽立其他文件，並辦理其他行動及事宜，以進一步確保本人／吾等就私人公司要約交回以轉歸予永泰地產投資或其可能指定之一名或多名人士之私人公司股份，概無所有優先購買權、購股權、留置權、申索、股本權益押記、產權負擔及任何性質之第三方權益連同於其所附帶或產生之所有權利，包括於本人／吾等之私人公司股份發行日期或之後宣派、作出或派付之所有股息及分派；及

- (iv) 本人／吾等同意追認永泰地產投資或渣打或彼等各自之任何代理或其／彼等可能指定之一名或多名人士就行使本表格所載任何授權而可能作出或進行之各項及每項行動或事宜。

2. 倘私人公司要約失效或倘根據私人公司要約之條款，本人／吾等之接納為無效，則上文第1段所載之所有指示、授權及承諾將予終止，在此情況下，本人／吾等謹此不可撤回地授權並要求閣下將已正式註銷之本表格以普通郵遞方式寄予上文第1(i)段所列人士。如上文並無列明姓名及／或地址，則按私人公司股東名冊所示之地址寄予本人或名列首位之私人公司股東(如屬私人公司股份之聯名登記持有人)，郵誤風險由本人／吾等自行承擔。

3. 本人／吾等明白並同意，就接納私人公司要約而簽發之支票如在相關支票簽發日期起計六個月內並無出具兌付，則有關支票將不獲兌現且再無效力，而在此情況下，本人／吾等應聯絡永泰地產投資以收取款項。

4. 本人／吾等謹此向閣下保證，本人／吾等為本表格所列明私人公司股份數目之登記持有人，而本人／吾等擁有一切權利、權力及授權，以透過接納私人公司要約之方式出售及轉交有關私人公司股份之所有權及擁有權予永泰地產投資。

5. 本人／吾等謹此向永泰地產投資及／或渣打及／或私人公司保證及承諾，本人／吾等已就本人／吾等接納私人公司要約遵守本人／吾等於私人公司股東名冊載列之地址所處司法權區之法律，包括取得任何政府、外匯管制或為遵守其他必要手續或法律規定之其他批准。

6. 本人／吾等明白本人／吾等接納私人公司要約，將被視為構成本人／吾等向永泰地產投資、私人公司及渣打保證：(a)本表格所指定數目之私人公司股份於出售時將不會附帶任何優先購買權、購股權、留置權、申索權、衡平權、押記、產權負擔或任何性質之第三方權利，而所出售之相關私人公司股份連同其所附帶或應計之所有權利，包括收取於發行該等私人公司股份之日期或之後所宣派、派付或作出之所有股息及分派之權利；及(b)本人／吾等並無採取或遺漏採取任何行動，致使將會或可能導致永泰地產投資、私人公司、渣打或任何其他人士就進行私人公司要約或於本人／吾等接納私人公司要約時違反任何地區之法例或監管規定，且本人／吾等根據所有適用法例乃有權接受及接納私人公司要約及其任何修訂本，而根據所有適用法例，有關之接納均為有效及具有約束力。

7. 本人／吾等向永泰地產投資及／或渣打及／或私人公司承諾，本人／吾等須就本人／吾等按私人公司股東名冊載列之地址所處司法權區，支付任何應付之過戶手續費或其他稅項。

8. 本人／吾等確認，除綜合文件及本表格明確規定者外，所作出之一切接納、指示、授權及承諾均為不可撤回。

9. 本人／吾等明白，過戶代理將不會就本表格發出收據。

10. 本人／吾等就根據私人公司要約已接納或被視為已接納之私人公司股份，且接納並未被有效撤回及並未按永泰地產投資或其指示之名義登記記者，向永泰地產投資及渣打不可撤回地承諾、聲明、保證及同意(以約束本人／吾等之承繼人及承讓人)：

- (a) 本人／吾等授權私人公司及／或其代理人，將須向本人／吾等(作為私人公司股東)寄發之任何通告、通函、認股權證或其他文件或通訊，寄予永泰地產投資；

- (b) 不可撤回地授權永泰地產投資或其代理人代表本人／吾等簽署任何同意書，同意縮短私人公司任何股東大會通知期及／或出席及／或簽立有關私人公司股份之代表委任表格，以委任永泰地產投資提名之任何人士出席相關股東大會(或其任何續會)，以及代表本人／吾等行使有關私人公司股份附帶之投票權，而該等投票權將根據收購守則以永泰地產投資全權酌情釐定之方式作出投票(如適用)；及

- (c) 本人／吾等協定，在末得永泰地產投資同意下不會行使任何相關權利，以及本人／吾等不可撤回地承諾不會就任何相關股東大會委任代表或出席相關股東大會及在上文所規限下，如本人／吾等之前已就私人公司股東大會委任代表(而該代表並非永泰地產投資或其代名人或委任人士)出席相關股東大會或在會上投票，則本人／吾等謹此撤回有關委任。

PERSONAL DATA

Personal Information Collection Statement

This personal information collection statement informs you of the policies and practice of WTPIL and the Transfer Agent in relation to personal data and the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) as the same may be amended, modified or supplemented from time to time (the “Privacy Ordinance”).

1. Reasons for the collection of your personal data

To accept the Privateco Offer for your Privateco Shares, you must provide the personal data requested. Failure to supply the requested data may result in the processing of your acceptance being rejected or delayed.

2. Purpose

The personal data which you provide on this form may be used, held and/or stored (by whatever means) for the following purposes:

- processing your acceptance and verification of compliance with the terms and application procedures set out in the Composite Document and this form;
- registering transfers of Privateco Share(s) out of your name;
- maintaining or updating the relevant register of holders of Privateco Shares;
- conducting or assisting to conduct signature verification, and any other verification or exchange of information;
- distributing communications from WTPIL, Privateco and/or their respective subsidiaries or agents such as SCB and the Transfer Agent;
- compiling statistical information and shareholder profiles;
- making disclosures as required by laws, rules or regulations (whether statutory or otherwise);
- disclosing relevant information to facilitate claims or entitlements;
- any other purposes in connection with the business of WTPIL, Privateco or the Transfer Agent; and
- any other incidental or associated purposes relating to the above and/or to enable WTPIL and/or SCB and/or Privateco to discharge their obligations to Privateco

Shareholders and/or under applicable regulations, and any other purposes to which Privateco Shareholders may from time to time agree or be informed of.

3. Transfer of personal data

The personal data provided in this form will be kept confidential but WTPIL, SCB and/or the Transfer Agent may, to the extent necessary for achieving the purposes above or any of them, make such enquiries as they consider necessary to confirm the accuracy of the personal data and, in particular, they may disclose, obtain, transfer (whether within or outside Hong Kong) such personal data to, from or with any and all of the following persons and entities:

- WTPIL and/or Privateco and/or their respective subsidiaries or agents such as SCB and the Transfer Agent;
- any agents, contractors or third party service providers who offer administrative, telecommunications, computer, payment or other services to Privateco and/or SCB and/or the Transfer Agent in connection with the operation of its business;
- any regulatory or governmental bodies;
- any other persons or institutions with which you have or propose to have dealings, such as bankers, solicitors, professional accountants, licensed securities dealers or registered institutions in securities; and
- any other persons or institutions whom WTPIL, SCB, Privateco and/or the Transfer Agent consider(s) to be necessary or desirable in the circumstances.

4. Access and correction of personal data

The Privacy Ordinance provides you with the right to ascertain whether WTPIL, SCB, Privateco and/or the Transfer Agent hold(s) your personal data, to obtain a copy of that data, and to correct any data that is incorrect. In accordance with the Privacy Ordinance, WTPIL, SCB, Privateco and the Transfer Agent have the right to charge a reasonable fee for the processing of any data access request. All requests for access to data or correction of data or for information regarding policies and practices and the kinds of data held should be addressed to WTPIL, SCB, Privateco or the Transfer Agent (as the case may be).

BY SIGNING THIS FORM YOU AGREE TO ALL OF THE ABOVE.

個人資料

個人資料收集聲明

本個人資料收集聲明知會閣下有關永泰地產投資及過戶代理就個人資料及香港法例第486章個人資料(私隱)條例(不時可能會作出修訂、修改或補充)(「私隱條例」)之政策及常規。

1. 收集閣下個人資料之原因

倘閣下欲就閣下之私人公司股份接納私人公司要約，則閣下須提供所需之個人資料。若未能提供所需資料，可能會導致閣下之接納不予受理或遭延誤。

2. 資料用途

閣下於本表格所提供之個人資料可以任何方式被使用、持有及／或保存，以作下列用途：

- 處理閣下之接納及核實是否遵守綜合文件及本表格所呈列之條款及申請程序而作出；
- 登記轉讓閣下名義之私人公司股份；
- 存置或更新私人公司股份持有人之有關名冊；
- 進行或協助進行核對簽名，以及核對或交換任何其他資料；
- 送遞永泰地產投資、私人公司及／或彼等各自之附屬公司或代理(例如渣打及過戶代理)所發出之通訊；
- 編製統計資料及股東資料；
- 遵照法例、規則或規例(不論法定或非法定)之要求作出披露；
- 披露有關資料以便進行申索或獲得所有權；
- 與永泰地產投資、私人公司或過戶代理之業務有關之任何其他用途；及

- 與上述有關之任何其他附帶或相關用途及／或令永泰地產投資及／或渣打及／或私人公司得以履行彼等對私人公司股東及／或適用法規項下之責任，以及私人公司股東可能不時同意或獲知會之任何其他用途。

3. 轉交個人資料

本表格所載之個人資料將會保密，但永泰地產投資、渣打及／或過戶代理可作出彼等認為必要之查詢以確定個人資料之準確性，以便資料可作任何上述用途，尤其可能會向下列任何及所有人士及實體披露、取得或轉交該等個人資料(不論在香港境內或境外)：

- 永泰地產投資及／或私人公司及／或彼等各自之附屬公司或代理(例如渣打及過戶代理)；
- 向私人公司及／或渣打及／或過戶代理提供與其業務運作有關之行政、電訊、電腦、付款或其他服務之任何代理、承包商或第三方服務供應商；
- 任何監管或政府機構；
- 與閣下有業務往來或將有業務往來之任何其他人士或機構，例如銀行、律師、專業會計師、持牌證券交易商或註冊證券機構；及
- 永泰地產投資、渣打、私人公司及／或過戶代理在有相關情況下認為必需或適當之任何其他人士或機構。

4. 查閱及更正個人資料

私隱條例賦予閣下權利確定永泰地產投資、渣打、私人公司及／或過戶代理是否持有閣下之個人資料、索取資料副本及更正任何不確資料。根據私隱條例，永泰地產投資、渣打、私人公司及過戶代理有權就處理任何查閱資料之要求收取合理費用。所有關於查閱資料或更正資料或查閱有關政策及常規及所持資料類別之要求，應向永泰地產投資、渣打、私人公司或過戶代理(視乎情況而定)提出。

閣下簽署本表格即表示同意上述各項。