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**GOOD VISION DEVELOPMENT
LIMITED**

高偉發展有限公司

(Incorporated in Hong Kong with limited liability)



華廈置業有限公司
WAH HA REALTY COMPANY LIMITED

WAH HA REALTY COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 278)

JOINT ANNOUNCEMENT

VOLUNTARY UNCONDITIONAL CASH OFFER BY EDDID CAPITAL LIMITED AND MAXA CAPITAL LIMITED ON BEHALF OF GOOD VISION DEVELOPMENT LIMITED FOR ALL THE ISSUED SHARES IN WAH HA REALTY COMPANY LIMITED HELD BY THE OFFER SHAREHOLDERS

Joint Financial Advisers to the Offeror in relation to the Offer



Eddid Capital Limited



Maxa Capital Limited

Independent Financial Adviser to the Company in relation to the Offer



Grande Capital Limited

INTRODUCTION

The Offeror and the Company jointly announce that on 13 March 2023, the Offeror formally informed the Company with respect to the making of a voluntary unconditional cash offer to acquire all the Offer Shares.

THE OFFER

The Offer will be made by the Joint Financial Advisers on behalf of the Offeror on the terms to be set out in the Composite Document in compliance with the Takeovers Code on the basis set out below:

Principal terms of the Offer

For each Offer ShareHK\$6.00 in cash

The Offer will be extended to all the Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of the Composite Document. The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid; and (b) it does not have any intention to make, declare or pay any future dividends or make other distributions prior to the close of the Offer.

The Offeror will not increase the Offer Price as set out above. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

The Offer is unconditional in all respects when it is made and will not be conditional upon acceptance being received in respect of a minimum number of the Offer Shares.

As at the date of this joint announcement, the Company does not have in issue any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) that carry a right to subscribe for or which are convertible or exchangeable into Shares or other types of equity interest of the Company and has not entered into any agreement for the issue of such options, derivatives, warrants or relevant securities.

Value of the Offer

Based on the Offer Price of HK\$6.00 per Offer Share and 120,960,000 Shares in issue as at the date of this joint announcement and assuming that there is no change in the issued share capital of the Company, the entire issued share capital of the Company is valued at approximately HK\$725.76 million. As at the date of this joint announcement, 56,315,040 Shares are held by the Offer Shareholders, representing approximately 46.56% of the total issued Shares.

Assuming that there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date and the Offer is accepted in respect of all the Offer Shares, the maximum amount of aggregate cash consideration to be paid to the Offer Shareholders for all the Offer Shares under the Offer would be approximately HK\$337.89 million.

Confirmation of financial resources

The Offeror intends to fully finance and satisfy the cash consideration payable under the Offer with its internal resources. The Joint Financial Advisers are satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full acceptance of the Offer.

Interests in the Company's securities

As at the date of this joint announcement, save for 82,368,480 Shares held by the Offeror Concert Parties (representing approximately 68.10% of the total issued Shares), the Offeror and the Offeror Concert Parties do not hold, control or have direction over any Shares or any convertible securities, warrants, options or other interests in the issued Shares or voting rights of the Company.

OFFEROR'S INTENTIONS REGARDING THE COMPANY

Trading in the Shares has been suspended since 15 September 2022. The resumption of trading in the Shares is subject to the Company's satisfaction of all resumption guidance set out by the Stock Exchange to demonstrate its compliance with Rule 13.24 of the Listing Rules and its suitability for continued listing, remediation of the issues causing the trading suspension and full compliance with the Listing Rules. Please refer to the announcements of the Company dated 11 October 2022 and 14 December 2022 for details. Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. The relevant 18-month period for the Company will expire on 14 March 2024. If the Company fails to remedy the issues causing its trading suspension, fulfil the resumption guidance of the Stock Exchange and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in the Shares by 14 March 2024, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

It is the intention of the Offeror, together with the Offeror Concert Parties, that the Group will continue to operate its business in substantially its current state whilst the Company explores and considers available opportunities and options in formulating a feasible plan for the resumption of trading in the Shares. The Offeror, together with the Offeror Concert Parties, has no intention to (a) discontinue the employment of the employees; or (b) dispose of or re-deploy the assets of the Group other than in its ordinary course of business or for the purpose of facilitating the resumption of trading in the Shares.

In view of the uncertainty associated with the prolonged suspension of trading in the Shares and the risk of a cancellation of the Company's listing if the resumption requirements of the Stock Exchange could not be met in full to the satisfaction of the Stock Exchange on or before the prescribed time limit, the Offeror intends to provide the Offer Shareholders, by way of the Offer, with a readily accessible opportunity to realising their respective investments in the Shares in return for cash at a fair and reasonable price. As at the date of this joint announcement, the Offeror does not have any intention to make any application for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules as the Offer is not a "takeover offer" within the meaning of the Companies Ordinance on the ground that the Offer Shares will not represent all the issued Shares not held by the Offeror at the time of the making of the Offer and therefore, no right to compulsory acquisition will arise.

PUBLIC FLOAT

According to the Listing Rules, normally if less than 25% of the issued shares in a listed company are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of such shares or there are insufficient shares of that company in public hands to maintain an orderly market, the Stock Exchange may consider exercising its discretion to suspend dealings in such shares. In the case of the Company, the restoration or maintenance of the minimum percentage of the issued Shares in public hands in compliance with the Listing Rules will be or become an additional condition for the resumption of trading in the Shares to be imposed by the Stock Exchange on the Company if, upon the close of the Offer, less than 25% of the issued Shares are held by the public.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Company has established the Independent Board Committee comprising the sole non-executive Director and all the independent non-executive Directors, namely, Messrs. Ng Kwok Tung, Chan Woon Kong, Chan Wing Tat and Kok Lap Seng, to advise the Offer Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

Grande Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Offer Shareholders in respect of the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Composite Document to the Shareholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company that the Composite Document comprising the offer document from the Offeror and the response document from the Board be jointly despatched by the Offeror and the Company to the Shareholders in accordance with the requirements of the Takeovers Code. The Composite Document will contain, among other things, (a) further details of the Offer (including the expected timetable and the terms of the Offer); (b) a letter of recommendation from the Independent Board Committee to the Offer Shareholders in relation to the Offer; (c) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Offer Shareholders in relation to the Offer; and (d) a property valuation report on all the properties of the Group and its associated companies, and will be despatched together with the Form of Acceptance. It is expected that the Composite Document will be despatched on or before 3 April 2023. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

CONTINUED SUSPENSION OF TRADING

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

WARNING

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

INTRODUCTION

The Offeror and the Company jointly announce that on 13 March 2023, the Offeror formally informed the Company with respect to the making of a voluntary unconditional cash offer to acquire all the Offer Shares.

THE OFFER

The Offer will be made by the Joint Financial Advisers on behalf of the Offeror on the terms to be set out in the Composite Document in compliance with the Takeovers Code on the basis set out below:

Principal terms of the Offer

For each Offer ShareHK\$6.00 in cash

The Offer will be extended to all the Offer Shareholders in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of the Composite Document. The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid; and (b) it does not have any intention to make, declare or pay any future dividends or make other distributions prior to the close of the Offer.

The Offeror will not increase the Offer Price as set out above. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price and the Offeror does not reserve the right to increase the Offer Price.

The Offer is unconditional in all respects when it is made and will not be conditional upon acceptance being received in respect of a minimum number of the Offer Shares.

As at the date of this joint announcement, the Company does not have in issue any outstanding options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) that carry a right to subscribe for or which are convertible or exchangeable into Shares or other types of equity interest of the Company and has not entered into any agreement for the issue of such options, derivatives, warrants or relevant securities.

Comparisons of value

The Offer Price of HK\$6.00 represents:

- (a) a premium of approximately 36.36% over the closing price of HK\$4.400 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 62.78% over the average closing price of approximately HK\$3.686 per Share based on the daily closing prices as quoted on the Stock Exchange for the five trading days immediately prior to and including the Last Trading Day;
- (c) a premium of approximately 41.98% over the average closing price of approximately HK\$4.226 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 40.81% over the average closing price of approximately HK\$4.261 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days immediately prior to and including the Last Trading Day;
- (e) a premium of approximately 40.25% over the average closing price of approximately HK\$4.278 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days immediately prior to and including the Last Trading Day;
- (f) a premium of approximately 40.15% over the average closing price of approximately HK\$4.281 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days immediately prior to and including the Last Trading Day;
- (g) a premium of approximately 36.30% over the average closing price of approximately HK\$4.402 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days immediately prior to and including the Last Trading Day;

- (h) a discount of approximately 42.28% to the audited consolidated net asset value per Share of approximately HK\$10.395 as at 31 March 2022, calculated based on the Group's audited consolidated total equity of approximately HK\$1,257.4 million as at 31 March 2022 as shown in the annual report of the Company for the year ended 31 March 2022 and 120,960,000 Shares in issue as at the date of this joint announcement; and
- (i) a discount of approximately 41.12% to the unaudited consolidated net asset value per Share of approximately HK\$10.191 as at 30 September 2022, calculated based on the Group's unaudited consolidated total equity of approximately HK\$1,232.8 million as at 30 September 2022 as shown in the interim report of the Company for the six months ended 30 September 2022 and 120,960,000 Shares in issue as at the date of this joint announcement.

Shareholders should note that, as shown in the unaudited condensed consolidated balance sheet of the Company as at 30 September 2022, a significant portion of the Group's assets consisted of investment properties, investments in associated companies with property interests, and completed properties held for sale. The value of these assets as stated in such unaudited condensed consolidated balance sheet may or may not reflect the current market value of these assets. The Composite Document will contain a property valuation report from an independent property valuer pursuant to Rule 11 of the Takeovers Code providing an updated valuation of all the properties of the Group and its associated companies as at a date not more than three months prior to the date of the Composite Document.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding and including the Last Trading Day:

- (a) the highest closing price of the Shares quoted on the Stock Exchange was HK\$4.833 per Share on 31 August 2022; and
- (b) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$3.280 per Share on 7 September 2022.

Value of the Offer

Based on the Offer Price of HK\$6.00 per Offer Share and 120,960,000 Shares in issue as at the date of this joint announcement and assuming that there is no change in the issued share capital of the Company, the entire issued share capital of the Company is valued at approximately HK\$725.76 million. As at the date of this joint announcement, 56,315,040 Shares are held by the Offer Shareholders, representing approximately 46.56% of the total issued Shares.

Assuming that there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date and the Offer is accepted in respect of all the Offer Shares, the maximum amount of aggregate cash consideration to be paid to the Offer Shareholders for all the Offer Shares under the Offer would be approximately HK\$337.89 million.

Confirmation of financial resources

The Offeror intends to fully finance and satisfy the cash consideration payable under the Offer with its internal resources. The Joint Financial Advisers are satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full acceptance of the Offer.

Settlement of consideration

Settlement of the consideration payable by the Offeror in respect of acceptances of the Offer will be made as soon as possible but in any event within seven Business Days of the date of receipt of the relevant completed and valid acceptance in respect of the Offer. Further details regarding the timing of settlement of the consideration payable by the Offeror in respect of acceptances of the Offer will be set out in the Composite Document.

No fraction of a cent will be payable and the amount of cash consideration payable to a each Offer Shareholder who accepts the Offer will be rounded up to the nearest cent.

OTHER DISCLOSURES

Interests in the Company's securities

As at the date of this joint announcement, save for 82,368,480 Shares held by the Offeror Concert Parties (representing approximately 68.10% of the total issued Shares), the Offeror and the Offeror Concert Parties do not hold, control or have direction over any Shares or any convertible securities, warrants, options or other interests in the issued Shares or voting rights of the Company.

Other arrangements

The Offeror confirms that as at the date of this joint announcement:

- (a) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (b) none of the Offeror and the Offeror Concert Parties has received any irrevocable commitment to accept the Offer nor any irrevocable undertaking not to accept the Offer;
- (c) save for 82,368,480 Shares held by the Offeror Concert Parties (representing approximately 68.10% of the total issued Shares), none of the Offeror and the Offeror Concert Parties owns or has control or direction over any voting rights of the Company or rights over Shares, options, derivatives, warrants or other securities convertible into Shares;
- (d) there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (e) none of the Offeror and the Offeror Concert Parties has entered into any arrangement or contract in relation to any outstanding derivatives in respect of securities in the Company, or has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;

- (f) there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii)(A) the Offeror or any Offeror Concert Party or (B) any of the Company, its subsidiaries and associated companies;
- (g) there is no agreement, arrangement or understanding that any securities acquired in pursuant of the Offer would be transferred, charged or pledged to any other persons; and
- (h) there is no agreement, arrangement or understanding (including any compensation arrangement) between the Offeror or any Offeror Concert Party and any of the Directors, recent directors of the Company, the Shareholders or recent shareholders of the Company having any connection with or dependence upon the Offer.

Each of Eddid Capital and Maxa Capital is a joint financial adviser to the Offeror in relation to the Offer. Accordingly, each Joint Financial Adviser and the relevant members of the group of which such Joint Financial Adviser is a member are presumed to be acting in concert with the Offeror in relation to the Offer in accordance with class 5 of the definition of “acting in concert” under the Takeovers Code. As at the date of this joint announcement, none of the Joint Financial Advisers and their respective ultimate beneficial owners holds or is interested in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

Dealings in securities of the Company

None of the Offeror, its directors and the Offeror Concert Parties had dealt for value in any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the six-month period ended on the date of this joint announcement.

TAXATION ADVICE

The Offer Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Offer. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company, the Joint Financial Advisers and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance of the Offer.

OVERSEAS SHAREHOLDERS

The making of the Offer to the Offer Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdiction. Such Offer Shareholders may be prohibited or affected by the laws of the relevant jurisdiction and it is the responsibility of each such Offer Shareholder who wishes to accept the Offer to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents, or filing and registration requirements which may be required to comply with all necessary formalities or legal or regulatory requirements and the payment of any transfer or other taxes due from such Offer Shareholder in such jurisdiction.

Any acceptance by any Offer Shareholder will be deemed to constitute a representation and warranty from such Offer Shareholder to the Offeror that all local laws and requirements have been complied with and that the Offer can be accepted by such Offer Shareholder lawfully under the laws of the relevant jurisdiction. The Offer Shareholders should consult their professional advisers if in doubt.

In the event that the despatch of the Composite Document to any overseas Offer Shareholder is prohibited by any relevant law or may only be effected after compliance with conditions or requirements that are unduly burdensome, subject to the Executive's waiver, the Composite Document may not be despatched to such Offer Shareholder. In such case, the Offeror will apply for such waiver as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

The Offer Shareholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the Offer Shareholders and the recommendation from the Independent Board Committee to the Offer Shareholders (a) as to whether the terms of the Offer are, or are not, fair and reasonable; and (b) as to the acceptance of the Offer.

FURTHER TERMS OF THE OFFER

Acceptance of the Offer

Acceptance of the Offer by any person will constitute a warranty by such person to the Offeror that the Offer Shares sold by such person to the Offeror are fully paid and are free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of the despatch of the Composite Document.

Stamp duty

Seller's ad valorem stamp duty at the rate of 0.13% of the value of the consideration arising on acceptance of the Offer will be payable by the Offer Shareholders who accept the Offer. The relevant amount of stamp duty payable by such Offer Shareholders will be deducted from the consideration payable to them under the Offer (where the stamp duty calculated includes a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offeror will bear its own portion of buyer's ad valorem stamp duty at the rate of 0.13% of the value of the consideration payable in respect of acceptances of the Offer and will be responsible to account to the Stamp Office of Hong Kong for all the stamp duty payable for the sale and purchase of the Offer Shares which are validly tendered for acceptance under the Offer.

INFORMATION REGARDING THE OFFEROR

The Offeror is an investment holding company incorporated on 28 April 2022 under the Companies Ordinance with limited liability and has not carried out any business. Each of the Cheung Brothers is a director of, and legally and beneficially owns 10 issued shares (representing one-third of the total number of issued shares) in the capital of, the Offeror. The Cheung Brothers are also the controlling shareholders of the Company and each of them is an executive Director. As at the date of this joint announcement, the Cheung Brothers and Humphrey Group, a company indirectly held and controlled by Mr. KW Cheung, his spouse and their two children, held 64,644,960 Shares, representing approximately 53.44% of the total issued Shares.

Each of the Cheung Brothers as a director of the Offeror together with his close relatives is presumed to be acting in concert with the Offeror in accordance with class 2 of the definition of “acting in concert” under the Takeovers Code. Such close relatives include the siblings of the Cheung Brothers. As at the date of this joint announcement, the Cheung Brothers have 13 other siblings, of which three of them come from the same household of their late father and have the same natural mother as the Cheung Brothers, and the remaining 10 siblings come from a different household of their late father and are the offspring of or adopted by their late father and his another spouse (the “**Half-Siblings**”). Based on the information contained in the Company’s share register, as at the date of this joint announcement, the Half-Siblings hold an aggregate of 4,933,640 Shares under their personal names (representing approximately 4.08% of the total issued Shares).

The Cheung Brothers are not in fact acting in concert with the Half-Siblings as they come from two separate households and their relationships are less than harmonious given their respective camps have been involved in prolonged civil proceedings over the estate of their late father back in 2005 which were litigated all the way up to the Court of Final Appeal of Hong Kong.

Based on the above, none of the Half-Siblings would be a member of the Offeror Concert Parties.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company as at the date of this joint announcement:

Shareholders	As at the date of this joint announcement	
	Number of Shares	Approximate % of issued Shares (Note 1)
Offeror	–	–
Offeror Concert Parties who are not Offer Shareholders (Note 2)		
– Mr. KW Cheung	4,173,440	3.45
– Mr. LW Cheung	22,741,680	18.80
– Mr. YW Cheung	22,579,680	18.67
– Humphrey Group	15,150,160	12.52
Sub-total (A)	<u>64,644,960</u>	<u>53.44</u>
Offeror Concert Parties who are Offer Shareholders		
– Ms. Wu Suet Yi, Rita (Note 3)	480,000	0.40
– Mr. Cheung Pui Yin, Jason (Note 4)	268,000	0.22
– Mr. Cheung Jeffrey Maurice (Note 5)	10,000	0.01
– Ms. Chung Poh Chuan Pollyanna (Note 6)	2,980,960	2.47
– Ms. Cheung Poh Suan (Note 7)	1,344,480	1.11
– Ms. Cheong Poh Yuen Yvonne (Note 8)	1,344,480	1.11
– Pullfield Company Limited (Note 9)	11,295,600	9.34
Sub-total (B)	<u>17,723,520</u>	<u>14.66</u>
Total number of Shares held by the Offeror and the Offeror Concert Parties (A) + (B)	<u>82,368,480</u>	<u>68.10</u>
Other Offer Shareholders (C)	<u>38,591,520</u>	<u>31.90</u>
Total number of Offer Shares (B) + (C)	<u>56,315,040</u>	<u>46.56</u>
Total number of Shares in issue (A) + (B) + (C)	<u>120,960,000</u>	<u>100.00</u>

Notes:

1. All percentages in the above table are approximations.
2. Each of the Cheung Brothers is a director of the Offeror and is presumed to be acting in concert with the Offeror under the Takeovers Code. Humphrey Group is a company indirectly held and controlled by Mr. KW Cheung, his spouse and their two children through Biochoice Limited. Humphrey Group and Biochoice Limited are presumed to be acting in concert with the Offeror under the Takeovers Code.
3. Ms. Wu Suet Yi, Rita is the spouse of Mr. LW Cheung and is presumed to be acting in concert with the Offeror under the Takeovers Code.
4. Mr. Cheung Pui Yin, Jason is a son of Mr. KW Cheung and is presumed to be acting in concert with the Offeror under the Takeovers Code.
5. Mr. Cheung Jeffrey Maurice is a son of Mr. YW Cheung and is presumed to be acting in concert with the Offeror under the Takeovers Code.
6. Ms. Chung Poh Chuan Pollyanna is a sister of the Cheung Brothers and is presumed to be acting in concert with the Offeror under the Takeovers Code.
7. Ms. Cheung Poh Suan is a sister of the Cheung Brothers and is presumed to be acting in concert with the Offeror under the Takeovers Code.
8. Ms. Cheong Poh Yuen Yvonne is a sister of the Cheung Brothers and is presumed to be acting in concert with the Offeror under the Takeovers Code.
9. Pullfield Company Limited is a direct wholly owned subsidiary of Profit-taking Company Inc. which, in turn, is a direct wholly owned subsidiary of Megabest Securities Limited. All issued shares of Megabest Securities Limited are held by the estate of the late mother of the Cheung Brothers, the grant of probate of which is under court process in the BVI. The Cheung Brothers are beneficiaries under the estate of their late mother. Pullfield Company Limited, Profit-taking Company Inc. and Megabest Securities Limited are presumed to be acting in concert with the Offeror under the Takeovers Code.

INFORMATION REGARDING THE GROUP

The Company is an investment holding company incorporated under the Companies Ordinance with limited liability and the Shares are listed on the Main Board of the Stock Exchange. The Group is principally engaged in property development, investment and management.

Set out below is a summary of the audited consolidated financial results of the Group for the financial years ended 31 March 2021 and 31 March 2022 as extracted from the annual report of the Company for the year ended 31 March 2022 and the unaudited condensed consolidated financial results of the Group for the six months ended 30 September 2022 as extracted from the interim report of the Company for the six months ended 30 September 2022:

	For the year ended/As at 31 March		For the six months ended/As at 30 September	
	2021 <i>HK\$</i> (audited)	2022 <i>HK\$</i> (audited)	2021 <i>HK\$</i> (unaudited)	2022 <i>HK\$</i> (unaudited)
Revenues	9,183,665	7,812,695	3,610,955	30,367,740
Profit before income tax	2,231,494	37,915,458	35,744,077	6,401,597
Profit and total comprehensive income attributable to equity holders of the Company	3,065,225	38,980,362	36,319,783	3,147,880
Total Equity	1,259,577,961	1,257,431,923	1,268,076,944	1,232,759,003

OFFEROR'S INTENTIONS REGARDING THE COMPANY

Trading in the Shares has been suspended since 15 September 2022. The resumption of trading in the Shares is subject to the Company's satisfaction of all resumption guidance set out by the Stock Exchange to demonstrate its compliance with Rule 13.24 of the Listing Rules and its suitability for continued listing, remediation of the issues causing the trading suspension and full compliance with the Listing Rules. Please refer to the announcements of the Company dated 11 October 2022 and 14 December 2022 for details. Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. The relevant 18-month period for the Company will expire on 14 March 2024. If the Company fails to remedy the issues causing its trading suspension, fulfil the resumption guidance of the Stock Exchange and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in the Shares by 14 March 2024, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

It is the intention of the Offeror, together with the Offeror Concert Parties, that the Group will continue to operate its business in substantially its current state whilst the Company explores and considers available opportunities and options in formulating a feasible plan for the resumption of trading in the Shares. The Offeror, together with the Offeror Concert Parties, has no intention to (a) discontinue the employment of the employees; or (b) dispose of or re-deploy the assets of the Group other than in its ordinary course of business or for the purpose of facilitating the resumption of trading in the Shares.

In view of the uncertainty associated with the prolonged suspension of trading in the Shares and the risk of a cancellation of the Company's listing if the resumption requirements of the Stock Exchange could not be met in full to the satisfaction of the Stock Exchange on or before the prescribed time limit, the Offeror intends to provide the Offer Shareholders, by way of the Offer, with a readily accessible opportunity to realising their respective investments in the Shares in return for cash at a fair and reasonable price. As at the date of this joint announcement, the Offeror does not have any intention to make any application for the withdrawal of the listing of the Shares from the Stock Exchange pursuant to Rule 6.15 of the Listing Rules as the Offer is not a "takeover offer" within the meaning of the Companies Ordinance on the ground that the Offer Shares will not represent all the issued Shares not held by the Offeror at the time of the making of the Offer and therefore, no right to compulsory acquisition will arise.

REASONS AND BENEFITS OF THE OFFER

Trading in the Shares has been suspended as a result of the decision of the Listing Division (as confirmed by a subsequent review decision of the Listing Committee) that the Company failed to satisfy the requirements of Rules 13.24, 6.01(3) and 6.01(4) of the Listing Rules, details of which have been set out in the Company's announcements dated 10 June 2022 and 2 September 2022. Information relating to the resumption guidance given by the Stock Exchange has also been set out in the Company's announcement dated 11 October 2022.

Whilst the Company is taking steps to resolve the issues causing its trading suspension and, in light of the complexity of the issues and the resources to be involved, has been in discussions with its professional advisers to explore and consider opportunities and options available to the Company in formulating a viable resumption plan, the Board considers that no concrete and feasible solution is in sight at this stage.

During the six-month period preceding the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$4.833 per Share on 31 August 2022, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$3.280 per Share on 7 September 2022. In addition, the historically highest closing price of the Shares as quoted on the Stock Exchange from 16 September 2021 to the Last Trading Day was HK\$4.978 per Share on 30 November 2021, 1 December 2021, 2 December 2021, 3 December 2021, 6 December 2021, 7 December 2021, 8 December 2021, 9 December 2021, 10 December 2021, 13 December 2021 and 22 December 2021. The Offeror believes that the Offer Price (a) represents a premium to the prices at which the market had valued the Group; and (b) had reflected the potential value of the business of the Group in the next few years under its current state and provides an opportunity for the Offer Shareholders to immediately realise their investments and mitigate the uncertainty and risk mentioned in the section headed "Offeror's Intentions Regarding the Company" above. The Offer therefore allows the Offer Shareholders a chance to redeploy capital from accepting the Offer into other investment opportunities that they may consider more attractive in the current market environment.

PUBLIC FLOAT

According to the Listing Rules, normally if less than 25% of the issued shares in a listed company are held by the public, or if the Stock Exchange believes that a false market exists or may exist in the trading of such shares or there are insufficient shares of that company in public hands to maintain an orderly market, the Stock Exchange may consider exercising its discretion to suspend dealings in such shares. In the case of the Company, the restoration or maintenance of the minimum percentage of the issued Shares in public hands in compliance with the Listing Rules will be or become an additional condition for the resumption of trading in the Shares to be imposed by the Stock Exchange on the Company if, upon the close of the Offer, less than 25% of the issued Shares are held by the public.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Company has established the Independent Board Committee comprising the sole non-executive Director and all the independent non-executive Directors, namely, Messrs. Ng Kwok Tung, Chan Woon Kong, Chan Wing Tat and Kok Lap Seng, to advise the Offer Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

Grande Capital has been appointed as the independent financial adviser to advise the Independent Board Committee and the Offer Shareholders in respect of the Offer and, in particular, as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

DESPATCH OF COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Composite Document to the Shareholders within 21 days after the date of this joint announcement, or such later date as the Executive may approve.

It is the intention of the Offeror and the Company that the Composite Document comprising the offer document from the Offeror and the response document from the Board be jointly despatched by the Offeror and the Company to the Shareholders in accordance with the requirements of the Takeovers Code. The Composite Document will contain, among other things, (a) further details of the Offer (including the expected timetable and the terms of the Offer); (b) a letter of recommendation from the Independent Board Committee to the Offer Shareholders in relation to the Offer; (c) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Offer Shareholders in relation to the Offer; and (d) a property valuation report on all the properties of the Group and its associated companies, and will be despatched together with the Form of Acceptance. It is expected that the Composite Document will be despatched on or before 3 April 2023. Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company as and when appropriate.

DEALING DISCLOSURES

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (as defined in the Takeovers Code, including persons holding 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror) are hereby reminded to disclose their dealings in any securities of the Company under Rule 22 of the Takeovers Code during the Offer Period.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of the Offeror or the Company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

CONTINUED SUSPENSION OF TRADING

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

WARNING

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

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associates”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of directors of the Company
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Cheung Brothers”	Mr. KW Cheung, Mr. LW Cheung and Mr. YW Cheung, the controlling shareholders of the Company
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as may be announced by the Offeror in compliance with the Takeovers Code
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Wah Ha Realty Company Limited (華廈置業有限公司), a company incorporated in Hong Kong with limited liability, the ordinary shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 278)
“Composite Document”	the composite offer and response document to be jointly issued by or on behalf of the Offeror and the Company to the Shareholders in connection with the Offer in accordance with the Takeovers Code
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules

“Director(s)”	director(s) of the Company
“Eddid Capital”	Eddid Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in relation to the Offer
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“Form of Acceptance”	the form of acceptance and transfer of Shares in respect of the Offer
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Humphrey Group”	Humphrey Group Limited (堪富利集團有限公司), a company incorporated in the BVI with limited liability, all issued shares of which are directly held by Biochoice Limited which, in turn, is owned by Mr. KW Cheung, his spouse and their two children in equal shares
“Independent Board Committee”	the independent board committee of the Company, comprising the sole non-executive Director and all the independent non-executive Directors, namely, Messrs. Ng Kwok Tung, Chan Woon Kong, Chan Wing Tat and Kok Lap Seng, to make a recommendation to the Offer Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer

“Independent Financial Adviser” or “Grande Capital”	Grande Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Offer Shareholders in relation to the Offer
“Joint Financial Advisers”	Eddid Capital and Maxa Capital, being the joint financial advisers to the Offeror in relation to the Offer
“Last Trading Day”	14 September 2022, being the last trading day of the Shares before the issuance of this joint announcement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Division”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited
“Maxa Capital”	Maxa Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being one of the joint financial advisers to the Offeror in relation to the Offer
“Mr. KW Cheung”	Mr. Cheung Kee Wee (鍾棋偉), an executive Director and a director and shareholder of the Offeror, being brother of Mr. LW Cheung and Mr. YW Cheung
“Mr. LW Cheung”	Mr. Cheung Lin Wee (鍾仁偉), an executive Director and a director and shareholder of the Offeror, being brother of Mr. KW Cheung and Mr. YW Cheung
“Mr. YW Cheung”	Mr. Cheung Ying Wai, Eric (鍾英偉), an executive Director and a director and shareholder of the Offeror, being brother of Mr. KW Cheung and Mr. LW Cheung

“Offer”	the voluntary unconditional cash offer to be made by Eddid Capital and Maxa Capital on behalf of the Offeror to acquire all of the Offer Shares from the Offer Shareholders in accordance with the terms and conditions to be set out in the Composite Document and the Form of Acceptance, and any subsequent revision or extension of such offer
“Offer Period”	has the meaning ascribed to it under the Takeovers Code (i.e. commencing from the date of this joint announcement and ending on the date on which the Offer closes for acceptances)
“Offer Price”	the price per Offer Share at which the Offer will be made in cash, being HK\$6.00 per Offer Share
“Offer Share(s)”	issued Share(s) held by the Offer Shareholders
“Offer Shareholders”	Shareholders other than the Cheung Brothers and Humphrey Group
“Offeror”	Good Vision Development Limited (高偉發展有限公司), a company incorporated in Hong Kong with limited liability and is legally and beneficially owned by each of the Cheung Brothers in equal shares
“Offeror Concert Party(ies)”	party(ies) acting in concert with the Offeror (including the Cheung Brothers, Humphrey Group, Biochoice Limited, Ms. Wu Suet Yi, Rita, Mr. Cheung Pui Yin, Jason, Mr. Cheung Jeffrey Maurice, Ms. Chung Poh Chuan Pollyanna, Ms. Cheung Poh Suan, Ms. Cheong Poh Yuen Yvonne, Pullfield Company Limited, Profit-taking Company Inc. and Megabest Securities Limited)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“%”	per cent.

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

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

Hong Kong, 13 March 2023

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

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

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

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

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