



## The Hong Kong Parkview Group Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 207)

### Board of Directors:

*Executive Directors*

Wong Kin Wah, George (*Chairman*)

Hwang Yiu Hwa, Victor

Hwang Yiu Hwa, Richard

Hwang Teh Hwa, Tony

*Independent Non-executive Directors*

Lau Hon Chuen, Ambrose, *G.B.S., J.P.*

Lam Kin Ming, Lawrence

Wu Kwok Cheung, *M.H.*

### Registered office:

Clarendon House

Church Street

Hamilton HM11

Bermuda

### Principal office in Hong Kong:

88 Tai Tam Reservoir Road

Hong Kong

7 August 2012

*To the Independent Shareholders*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY  
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED  
ON BEHALF OF ACHIEVE BLOOM LIMITED  
TO ACQUIRE ALL THE ISSUED SHARES IN THE ISSUED SHARE CAPITAL  
OF  
THE HONG KONG PARKVIEW GROUP LIMITED  
(OTHER THAN THOSE ALREADY OWNED AND/OR AGREED TO BE  
ACQUIRED BY ACHIEVE BLOOM LIMITED  
AND/OR PARTIES ACTING IN CONCERT WITH IT)**

### INTRODUCTION

On 17 July 2012, the Offeror and the Company jointly announced that on 16 July 2012, the Vendors and the Offeror entered into the Share Purchase Agreement pursuant to which the Vendors conditionally agreed to sell and the Offeror conditionally agreed to purchase a total of 393,674,138 Shares, representing approximately 73.5% of the entire issued share capital of the Company as at the Latest Practicable Date, for a total consideration of HK\$362,180,207.

Immediately after Completion which took place on 23 July 2012 and as at the Latest Practicable Date, the Offeror and parties acting in concert with it were interested in 393,674,138 Shares, representing approximately 73.5% of the entire issued share capital of the Company. Accordingly, the Offeror was required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned and/or agreed to be acquired by it and/or parties acting in concert with it.

Pursuant to Rule 2.1 and Rule 2.8 of the Takeovers Code, the Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lau Hon Chuen, Ambrose, Mr. Lam Kin Ming, Lawrence and Mr. Wu Kwok Cheung, was formed to advise the Independent Shareholders in respect of the Offer. Somerley has been appointed as

the Independent Financial Adviser to the Independent Board Committee regarding the Offer and such appointment was approved by the Independent Board Committee.

The purpose of this Composite Document is to provide you with, among other things, (i) information relating to the Group, the Offeror and the Offer; (ii) the ‘Letter from the Independent Board Committee’ containing its recommendation to the Independent Shareholders in respect of the Offer; and (iii) the ‘Letter from Somerley’ containing its recommendation to the Independent Board Committee in respect of the Offer and the principal factors considered by it in arriving at its recommendation.

## **THE OFFER**

### **Principal terms of the Offer**

HSBC is making the Offer for and on behalf of the Offeror, to acquire the Offer Shares on the following basis:

**For each Offer Share . . . . . HK\$0.92 in cash**

The price of HK\$0.92 for each Offer Share is the same as the purchase price paid for each Sale Share by the Offeror under the Share Purchase Agreement.

Further details of the Offer, including procedures for acceptance and further terms of the Offer are contained in the ‘Letter from HSBC’ as set out on pages 6 to 13 of this Composite Document, Appendix I to this Composite Document and the accompanying Form(s) of Acceptance and Transfer.

## **INFORMATION ON THE GROUP**

The principal activity of the Company is investment holding. The Group is principally engaged in property investment and provision of corporate management services.

As at the Latest Practicable Date, there were 535,359,258 Shares in issue and the Company did not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares.

The following table sets out the shareholding structure of the Company immediately before and after the Acquisition:

	Before the Acquisition		After the Acquisition and before the Offer	
	Number of Shares	% (approximate)	Number of Shares	% (approximate)
Kompass International	293,674,138	54.9	—	—
High Return	98,000,000	18.3	—	—
Mr. Wong	2,000,000	0.4	—	—
Offeror and parties acting in concert with it	—	—	393,674,138	73.5
Lam Kin Ming, Lawrence	6,000	0.001	6,000	0.001
Public	141,679,120	26.5	141,679,120	26.5
<b>Total</b>	<b>535,359,258</b>	<b>100</b>	<b>535,359,258</b>	<b>100</b>

*Note:* Due to rounding up of the percentages, the accumulated percentage is slightly different from 100%.

Based on the published annual report of the Company for the year ended 31 March 2012, the Group derived no revenue during the year ended 31 March 2012. The Group recorded an audited profit attributable to Shareholders for the year ended 31 March 2012 of approximately HK\$21,916,008, which was mainly attributable to a change in the fair value of the investment property held by the Group. Corresponding audited revenue and profit attributable to Shareholders for the year ended 31 March 2011 were approximately HK\$1,238,263 and HK\$41,774,880. As at 31 March 2012, the Group's audited consolidated net assets attributable to Shareholders were approximately HK\$186,963,160 or approximately HK\$0.35 per Share based on 535,359,258 Shares in issue as at the Latest Practicable Date.

#### INFORMATION ON THE OFFEROR

Your attention is drawn to the paragraph headed "Information on the Offeror" in the "Letter from HSBC" as set out on pages 6 to 13 in this Composite Document.

#### INTENTIONS OF THE OFFEROR REGARDING THE GROUP

The Board notes that the Offeror, COFCO (HK) and COFCO Corporation intend to continue the existing business of the Group and as at the Latest Practicable Date, also intended to carry out possible asset injection in the future, but no concrete plan or specific time-table had been reached. The Board further notes that there were no discussions, arrangements and/or agreements in relation to asset and/or business injections between the Offeror (or parties acting in concert with it) and the Company. In addition, the Board notes that the Offeror did not intend to introduce any major changes in the principal business or redeploy the fixed assets of the Company, but the Offeror will, in addition to the existing business of the Group, regularly review the operations, financial position and business activities of the Group to formulate a suitable business strategy for the Group and will explore other business opportunities from time to time. The Board notes that it is the intention of the Offeror that should any suitable investment opportunities be identified, the Offeror will

consider having the Group to acquire assets and/or businesses, whether from the Offeror (or its associates) or any other third parties, as and when appropriate in order to enhance the growth of the Group and any such acquisitions will only be made in compliance with the Listing Rules.

As at the Latest Practicable Date, the Group did not have any employees or officers save for the directors of the Group and the company secretary of the Company. The Board notes that it is the Offeror's intention that the existing company secretary of the Company will resign on or after the first Closing Date and a new company secretary will be appointed as a replacement on the same date. Further announcement in relation to the resignation and appointment of the company secretary of the Company will be made by the Company as and when appropriate in compliance with the Listing Rules. For the proposed changes to the composition of the Board, please refer to the paragraph headed "Proposed changes to the composition of the Board" in the "Letter from HSBC" as set out in this Composite Document.

#### **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public, or if the Stock Exchange believes that:

- . a false market exists or may exist in the trading of the Shares; or
- . that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares. Each of the Offeror and the Company will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Board notes that and the directors of the Offeror and the new Directors to be appointed to the Board will also jointly and severally provide the same undertaking to the Stock Exchange. The Board notes that the Offeror intends to maintain the listing of the Shares on the Stock Exchange.

#### **RECOMMENDATIONS**

The Independent Board Committee has been formed to make recommendation to the Independent Shareholders in respect of the Offer.

Your attention is drawn to (i) the "Letter from the Independent Board Committee" as set out on pages 19 and 20 of this Composite Document containing its recommendation to the Independent Shareholders in respect of the Offer, and (ii) the "Letter from Somerley" as set out on pages 21 to 34 of this Composite Document containing its recommendation to the Independent Board Committee in respect of the Offer and the principal factors considered by it in arriving at its recommendation.

#### **ADDITIONAL INFORMATION**

Your attention is also drawn to the additional information regarding the Offer set out in the "Letter from HSBC" as set out on pages 6 to 13 of this Composite Document, the appendices to this Composite Document and the accompanying Form(s) of Acceptance and Transfer, which form part of this Composite Document.

You are recommended to consult your own professional advisers if you are in any doubt as to the tax and other implications of your acceptance of the Offer.

Yours faithfully,  
For and on behalf of  
**The Hong Kong Parkview Group Limited**

A handwritten signature in black ink, appearing to be 'Wong Kin Wah', written in a cursive style.

**Wong Kin Wah, George**  
*Chairman*