WINTO GROUP (HOLDINGS) LIMITED
惠陶集團(控股)有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 8238)

DISCLOSEABLE TRANSACTION CONCERNING THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF LASERMOON LIMITED

Financial Advisor to the Company

WALLBANCK BROTHERS
Securities (Hong Kong) Limited

THE ACQUISITION AGREEMENT

The Board is pleased to announce that on 24 June 2016 (after trading hours), the Company and the Vendor entered into the Acquisition Agreement, pursuant to which the Company conditionally agreed to acquire, and the Vendor conditionally agreed to sell, 100% of the issued share capital of the Target Company at a total consideration of HKD35,000,000. Completion of the Acquisition Agreement is conditional upon, among others, the Conditions Precedent as set out in the Acquisition Agreement being satisfied (or waived by the Company) on or before the Long Stop Date.

The Consideration shall be an aggregate sum of HKD35,000,000, to be paid by the Company to the Vendor (or its nominees) in the following manner (or such other manner as the Parties may agree in writing): (i) a sum of HKD2,000,000 shall be payable in cash within 30 days from the execution of the Acquisition Agreement; and (ii) an aggregate sum of HKD33,000,000 shall be payable by issue of Promissory Notes in two separate tranches upon Completion.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirements under the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties, save and except Mr. Cheng Ming Kit ("Mr. Cheng"). As at the date of this announcement, Mr. Cheng is a director of the Vendor and an executive director and co-chairman of the board of Blue Sky. As at the date of this announcement, Mr. Cheng indirectly owns as to approximately 6.91% of interest in the Company and approximately 12.31% of the interest in Blue Sky.

WARNING NOTICE

Completion of the Acquisition is subject to the fulfillment (or waiver) of the Conditions Precedent as set out in the Acquisition Agreement. As the Acquisition may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

PRINCIPAL TERMS OF THE ACQUISITION AGREEMENT

The Acquisition Agreement

Date

24 June 2016 (after trading hours)

Parties

Purchaser	:	Winto Group (Holdings) Limited
Vendor	:	Goldlink Capital Limited, a direct wholly-owned subsidiary of Blue Sky

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties, save and except Mr. Cheng. As at the date of this announcement, Mr. Cheng is a director of the Vendor and an executive director and co-chairman of the board of Blue Sky. As at the date of this announcement, Mr. Cheng indirectly owns as to approximately 6.91% of interest in the Company and approximately 12.31% of the interest in Blue Sky.

Asset to be acquired

The Sale Shares, representing 100% of the issued share capital of the Target Company.

Consideration and Manner of Payment

The Consideration shall be an aggregate sum of HKD35,000,000, to be paid by the Company to the Vendor (or its nominees) in the following manner (or such other manner as the Parties may agree in writing):

(i) a sum of HKD2,000,000 shall be payable in cash within 30 days from the date of signing of the Acquisition Agreement; and

(ii) a sum of HKD33,000,000 shall be payable by issue of Promissory Notes in two separate tranches upon Completion.

The Consideration shall be financed by internal resources of the Group.

Bases of Consideration

The Consideration was determined after arm's length negotiations between the Company and the Vendor and was determined with reference to the followings:

1. the Valuation Report on the Target Company prepared by Steinberg Appraisal and Consulting (Hong Kong) Limited, an independent valuer. Under the income-based approach as adopted in the Valuation Report, the discounted cash flow method was utilized to arrive at the market value of the business enterprise, with the 100% issued share capital of the Target Company as at 18 June 2016 valued at approximately HKD36,250,000;

2. the business development and prospects of the Target Group in the medium to long term;

3. the profit guarantee as set out in the subsection headed "Profit Guarantee" below, particularly, in the event that the Target Group records a consolidated profit but fails to meet the Guaranteed Profit (the shortfall being the difference between the Guaranteed Profit and the Actual Profit) in any of the two financial years ending 31 December 2017 and 31 December 2018, the Vendor shall pay the Company a compensation in cash, within thirty (30) days upon the Company serving a written notice to the Vendor after the Company receiving the audited consolidated financial statement of the Target Group on or before 31 March 2018 and 31 March 2019 respectively, or such other dates as the Parties may from time to time mutually agree in writing, of an amount equivalent to 2.5 times the shortfall for the corresponding year; and

4. any other bases of Consideration that the Company considered.

The Directors consider that the Consideration and the terms and conditions of the Acquisition are fair and reasonable, on normal commercial terms and in the ordinary and usual course of business of the Company and are in the interests of the Company and the Shareholders as a whole.

Profit Guarantee

Pursuant to the Acquisition Agreement, the Vendor guarantees to the Company that the consolidated net profit after tax of the Target Group (based on its audited financial statements) for each of the two financial years ending 31 December 2017 and 31 December 2018 shall be as follows:

For the year ending 31 December 2017: not less than HKD3,500,000; and

For the year ending 31 December 2018: not less than HKD3,500,000.

(i) in the event that the Guaranteed Profit as set out above have been met or satisfied, no compensation shall be paid by the Vendor to the Company;

(ii) in the event that the Target Group records a consolidated profit but fails to meet the Guaranteed Profit (the shortfall being the difference between the Guaranteed Profit and the Actual Profit) in any of the two financial years ending 31 December 2017 and 31 December 2018, the Vendor shall pay the Company a compensation in cash, within thirty (30) days upon the Company serving a written notice to the Vendor after the Company receiving the audited consolidated financial statement of the Target Group on or before

31 March 2018 and 31 March 2019 respectively, or such other dates as the Parties may from time to time mutually agree in writing, of an amount equivalent to 2.5 times the shortfall for the corresponding year;

(iii) in the event of any excess between the Guaranteed Profit and Actual Profit earned by the Target Group in the financial year ending 31 December 2017, the amount in excess shall be carried forward as an additional amount of the Actual Profit earned by the Target Group in the following financial year and no compensation shall be paid by the Vendor to the Company in the financial year ending 31 December 2017;

(iv) in the event that the Target Group has not earned any profit or recorded a loss in any of the two financial years ending 31 December 2017 and 31 December 2018, the Vendor shall pay the Company a compensation in cash, within thirty (30) days upon the Company serving a written notice to the Vendor after the Company receiving the audited consolidated financial statement of the Target Group on or before 31 March 2018 and 31 March 2019 respectively, or such other dates as the Parties may from time to time mutually agree in writing, of an amount of HKD8,750,000, equivalent to 2.5 times the respective Guaranteed Profit for the corresponding year;

(v) in the event that the Vendor has to, but fails to, pay the Company compensation in cash pursuant to (ii) and (iv) as set out above, the Vendor shall pay the Company an interest at a rate of 3% p.a. calculated with reference to such unpaid amount of compensation, until the Vendor has repaid all the amount due.

Conditions Precedent

Completion is conditional upon the following conditions being fulfilled or, as the case may be, waived, on or before the Long Stop Date:

1) no takeover implication or obligation having been triggered under the Takeovers Code;

2) no "reverse takeover" (as defined under the GEM Listing Rules) having been triggered or ruled by the Stock Exchange;

3) the Company having obtained a written legal opinion from the relevant PRC lawyer(s) in the form and substance acceptable to the Company (which shall include but not limited to the findings of due diligence reviews on the Vendor, the Target Company and the Target Group in relation to the Acquisition);

4) the Company having obtained a feasibility study report in the form and substance reasonably satisfactory to the Company (if applicable);

5) the Company having obtained the relevant Valuation Report on the Sale Shares of the Target Company by an independent valuer specified by the Company, of which the business valuation of the Target Company shall be no less than approximately HKD36,250,000 as of 18 June 2016;

6) the Company and its nominees, and professional advisers of the Company being satisfied with the results of the due diligence reviews exercise on the businesses, assets, liabilities, operations, financial, legal or other status of the Target Group, including but not limited to, the business plan and model reports of Ji Qi Mao, business operation progress report

of Ji Qi Mao, technology application and product reports of Ji Qi Mao, capex and capital commitments reports of Ji Qi Mao and legal, compliance, licences and intellectual property reports on Ji Qi Mao;

7) Shenzhen Power Energy Ltd having executed the relevant loan assignment agreement with the Company and Yu Shen, of which a debt in the amount of HKD1,177,955 of Yu Shen to Shenzhen Power Energy Ltd shall be assigned to the Purchaser. Such loan assignment shall be legally enforceable and Shenzhen Power Energy Ltd. shall cease to be debtor of such debt;

8) the Board having approved and authorised the Acquisition Agreement and the transactions contemplated thereunder;

9) the board of directors of Blue Sky having approved and authorised the Acquisition Agreement and the transactions contemplated thereunder (if applicable);

10) the board of directors of the Vendor having approved and authorised the Acquisition Agreement and the transactions contemplated thereunder;

11) all necessary third party approvals or consents (or waivers) required by the Company and the Vendor or any of them for the consummation of the transactions contemplated therein having been obtained;

12) all necessary governmental and regulatory approvals or consents (or waivers), including but not limited to those from the Stock Exchange, the SFC and/or other authority, required by the Company and the Vendor or any of them for the consummation of the transactions contemplated therein having been obtained (if applicable);

13) Ji Qi Mao and Yu Shen Bao having together established a joint venture company Yu Bao in the PRC and having executed a relevant shareholders' agreement and the relevant shareholders' agreement remains effective on the Completion Date;

14) the Vendor and Yu Bao having executed Platform Service Agreement A and such agreement remains effective on the Completion Date;

15) Zheng Wei Li and Yu Bao having executed Platform Service Agreement B and such agreement remains effective on the Completion Date;

16) Target Group having completed relevant Corporate Restructuring;

17) the Purchaser being satisfied, as from the date of signing of the Acquisition Agreement that the warranties given under the Acquisition Agreement remain true, accurate, not misleading nor in breach of any material respect and that no event has suggested that there was any adverse material change in such warranties;

18) the Purchaser does not find nor have the knowledge that from the date of signing of the Acquisition Agreement, there be any abnormal operations or any material adverse change in the business, positions (including assets, financial and legal status), operations, performance or assets, or any undisclosed material potential risks in respect of the Target Group; and

19) the transaction contemplated under the Acquisition Agreement having complied with the relevant laws and regulations in the PRC and all necessary PRC governmental or regulatory approval or consents having been obtained (if applicable).

If any of the above Conditions Precedent has not been fulfilled (or waived by the Company) by the Long Stop Date, the obligations of the Company and the Vendor under the Acquisition Agreement shall forthwith cease and terminate and neither the Purchaser nor the Vendor shall have any claim against the other party, save for any antecedent breach thereof.

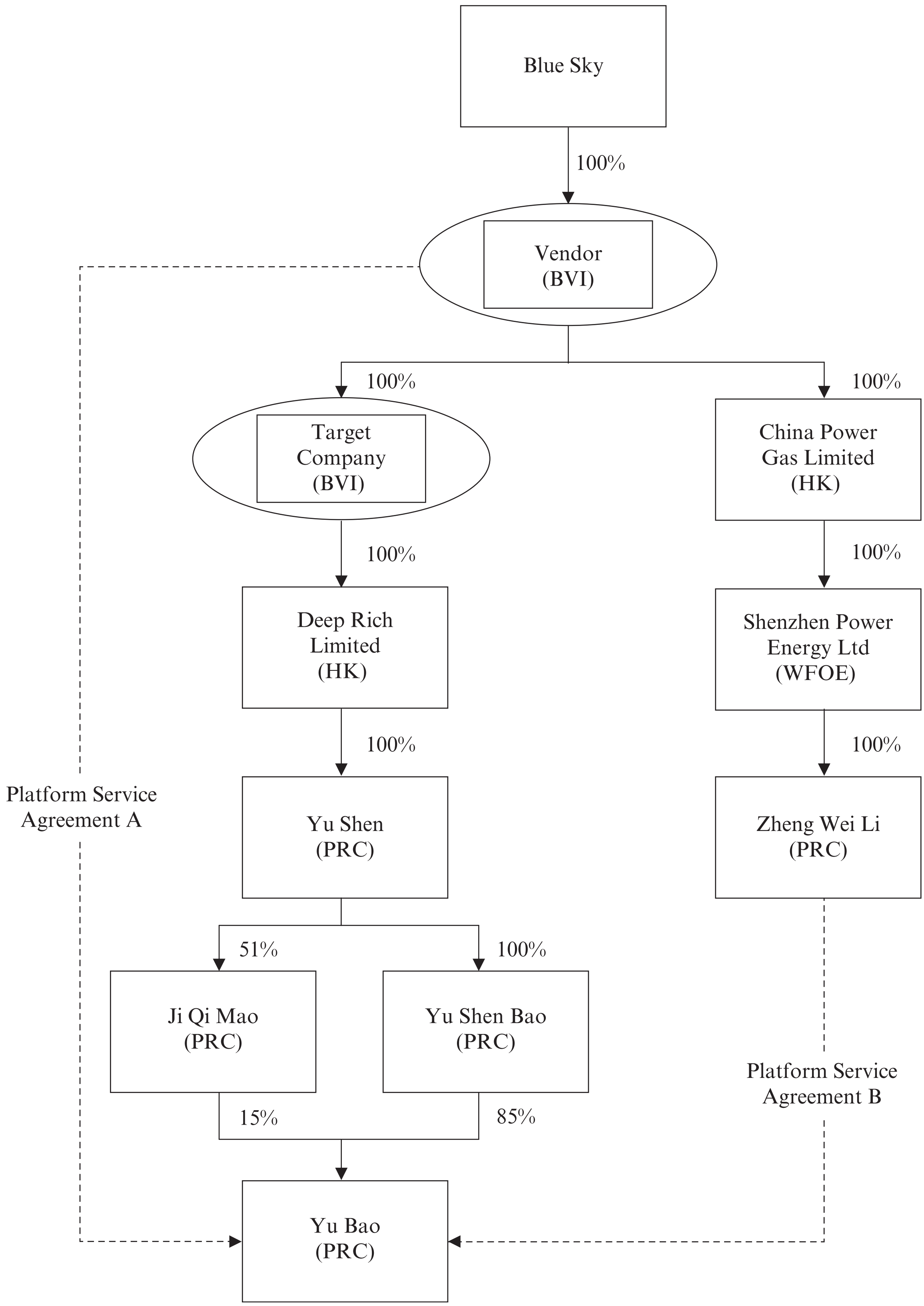
Completion

Subject to the fulfillment (or waiver) of all the Conditions Precedent on or before the Long Stop Date, Completion shall take place on the Completion Date or such other date as the Parties may from time to time agree in writing. Upon Completion, the Target Company shall become a direct wholly-owned subsidiary of the Company.

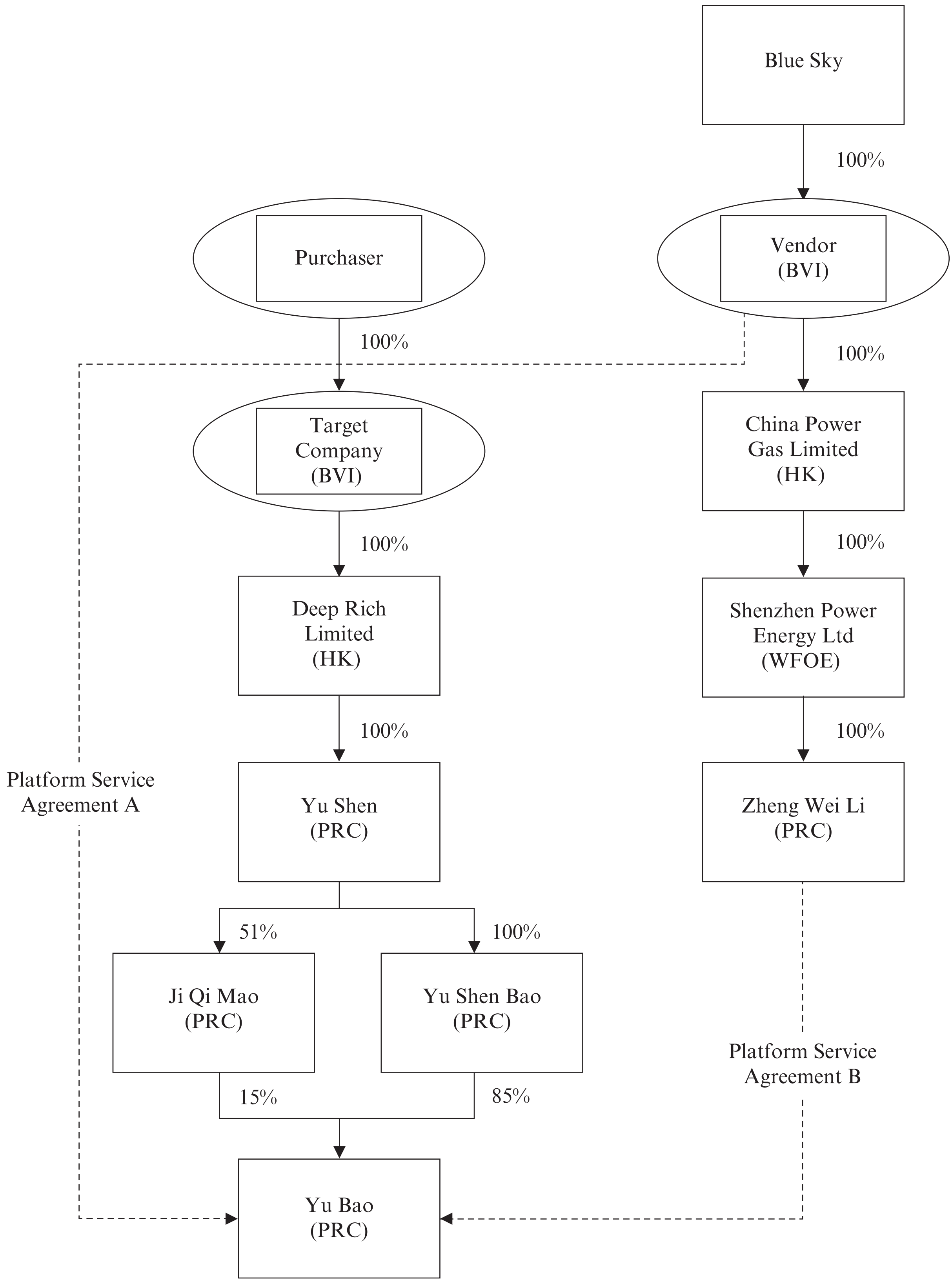
PRINCIPAL TERMS OF THE PROMISSORY NOTES

Issuer	The Company
Principal amount	Initial Tranche: HKD24,250,000 Second Tranche: HKD8,750,000
Maturity date(s)	Initial Tranche: The twenty-fourth (24th) month of the date of issue Second Tranche: The thirty-sixth (36th) month of the date of issue
Interest	nil
Transferability and Restrictions	(i) Any transfer of the Promissory Notes shall be in respect of the whole or any part (in multiples of HK$500,000) of the respective principal amount of the Promissory Notes; and (ii) The Promissory Notes must not be transferred to any person, firm or company which is a connected person (as defined in the GEM Listing Rules) of the Company except in compliance with the applicable requirements under the GEM Listing Rules and the Takeovers Code
Early Redemption	The Company may redeem all or part of the Promissory Notes at any time prior to the respective maturity date at 100% of their face value respectively, by giving the holder of the Promissory Notes not less than seven (7) days' prior written notice specifying the amount and date of prepayment without any penalty, prepayment or other fees.
Application for listing	No application will be made by the Company to the Stock Exchange for the listing of the Promissory Notes.

CORPORATE STRUCTURE BEFORE ACQUISITION



CORPORATE STRUCTURE AFTER ACQUISITION



INFORMATION ON THE COMPANY

The Company is incorporated in Cayman Islands with limited liability, the Shares of which are listed on GEM. The principal activity of the Company is the sales and free distribution of Chinese language lifestyle magazines, sales of advertising space in the magazines and provision of outdoor advertising services.

INFORMATION ON BLUE SKY

Blue Sky Power Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are primary listed on the main board of the Stock Exchange and secondary listed on the Singapore Exchange. The principal activity of Blue Sky is investment holding and its subsidiaries are principally engaged in sales and distribution of natural gas and other related products.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, Blue Sky and its ultimate beneficial owner are Independent Third Parties, save and except Mr. Cheng. As at the date of this announcement, Mr. Cheng is a director of the Vendor and an executive director and co-chairman of the board of Blue Sky. As at the date of this announcement, Mr. Cheng indirectly owns as to approximately 6.91% of interest in the Company and approximately 12.31% of the interest in Blue Sky.

INFORMATION ON THE VENDOR

Goldlink Capital Limited is a company incorporated in the British Virgin Islands with limited liability. The Vendor is a direct wholly-owned subsidiary of Blue Sky. Its subsidiaries are principally engaged in the sales and distribution of natural gas and other related products.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties, save and except Mr. Cheng. As at the date of this announcement, Mr. Cheng is a director of the Vendor and an executive director and co-chairman of the board of Blue Sky. As at the date of this announcement, Mr. Cheng indirectly owns as to approximately 6.91% of interest in the Company and approximately 12.31% of the interest in Blue Sky.

INFORMATION ON THE TARGET GROUP

Information on the Target Company

The Target Company is a company incorporated in British Virgin Islands on 18 November 2015 with limited liability and principally engaged in investment holding. The Target Company is a direct wholly-owned subsidiary of the Vendor and an Independent Third Party.

Financial Information

Set out below are certain unaudited financial information of the Target Company for the financial period from 18 November 2015 (date of incorporation) to 31 December 2015:

	HKD
Turnover	—
Net Profit/(Loss) (before tax)	(15,500)
Net Profit/(Loss) (after tax)	(15,500)
Net Asset	(15,492)
Total Asset	—

Information on Deep Rich Limited

Deep Rich Limited is a company incorporated in Hong Kong on 1 September 2015 with limited liability and principally engaged in investment holding. Deep Rich Limited is a direct wholly-owned subsidiary of the Target Company and an Independent Third Party.

Financial Information

Set out below are certain unaudited financial information of Deep Rich Limited for the financial period from 1 September 2015 (date of incorporation) to 31 December 2015:

	HKD
Turnover	—
Net Profit/(Loss) (before tax)	(24,125)
Net Profit/(Loss) (after tax)	(24,125)
Net Asset	(24,124)
Total Asset	104,029

Information on Yu Shen

Yu Shen is a company incorporated in the PRC on 9 December 2015 with limited liability and principally engaged in investment holding. Yu Shen is a direct wholly-owned subsidiary of Deep Rich Limited and an Independent Third Party.

Financial Information

Set out below are certain unaudited financial information of Yu Shen for the financial period from 9 December 2015 (date of incorporation) to 31 December 2015:

	HKD
Turnover	—
Net Profit/(Loss) (before tax)	(99,753)
Net Profit/(Loss) (after tax)	(99,753)
Net Asset	(95,532)
Total Asset	—

Information on Yu Shen Bao

Yu Shen Bao is a company incorporated in the PRC on 14 June 2016 with limited liability and is expected to be principally engaged in investment holding. Yu Shen Bao is a direct wholly-owned subsidiary of Yu Shen and an Independent Third Party.

Financial Information

Set out below are certain unaudited financial information of Yu Shen Bao for the financial period from 14 June 2016 (date of incorporation) to the date of this announcement:

	HKD
Turnover	—
Net Profit/(Loss) (before tax)	(99,753)
Net Profit/(Loss) (after tax)	(99,753)
Net Asset	(95,532)
Total Asset	—

Information on Yu Bao

Yu Bao is a company incorporated in the PRC on 20 June 2016 with limited liability and is expected to be principally engaged in operating e-commerce trading platform of LNG. Yu Bao is a joint venture established by Yu Shen Bao and Ji Qi Mao. 85% of the shareholding of Yu Bao is held by Yu Shen Bao, and the remaining 15% is held by Ji Qi Mao. Yu Bao is an Independent Third Party.

Yu Bao is a party to both the Platform Service Agreement A and B respectively, details of which are set out in the subsections headed "Information on Platform Service Agreement A", "Key terms of Platform Service Agreement A", "Information on Platform Service Agreement B" and "Key terms of Platform Service Agreement B" respectively.

Financial Information

Set out below are certain unaudited financial information of Yu Bao for the financial period from 20 June 2016 (date of incorporation) to the date of this announcement:

	HKD
Turnover	—
Net Profit/(Loss) (before tax)	(99,753)
Net Profit/(Loss) (after tax)	(99,753)
Net Asset	(95,532)
Total Asset	—

Information on Ji Qi Mao

History

Ji Qi Mao is a company incorporated in the PRC with limited liability in January 2015, and principally engaged in internet information technology development, e-commerce, sales, installation, testing and maintenance of information system, and development of software. Ji Qi Mao is an Independent Third Party.

Yu Shen, an indirect wholly-owned subsidiary of the Vendor, acquired 51% of total issued share capital of Ji Qi Mao on 16 June 2016.

Ji Qi Mao has its business operation in Yinchuan, Ningxia, the PRC with 20 staffs, and subcontracted the research and technology operation to an associate company in Hangzhou, the PRC.

Business plan

Ji Qi Mao is expected to focus on trading of LNG for vehicles, and the development of trading platforms involving the operation of "Ji Qi Mao Platform", "Jia Qi Mao Platform", and "back-end supporting system".

In the Action Plan of Energy Development Strategy (2014–2020) ((2014) No. 31 Document) proposed by the National Development and Reform Commission of the PRC government, the primary energy consumption of natural gas, being a form of clean and efficient energy, shall reach 10% by 2020 to reduce the high energy consumption and pollution. The PRC government also encourages and supports all kinds of capital investment in unified planning of natural gas infrastructure, allows third parties to use natural gas infrastructure, including natural gas receiving stations, and promote the involvement of private enterprises in natural gas businesses.

Ji Qi Mao is expected to focus on consumers' needs, adopting the integrated online and offline, virtual and reality approaches to connect the upstream, midstream and downstream of LNG industry chain. Ji Qi Mao aims to convert the traditional business models to "Ji Qi Mao LNG business model" to reduce the excessive transaction costs arising from the shortage of information, finance, and logistics by integrating the flows of information, logistics, and capital. The expected advantages of Ji Qi Mao are traceable LNG transactions, safer, fairer, and transparent supply chains, and effective integration and collaboration of industrial chains.

The LNG business model of Ji Qi Mao is expected to aim at connecting the upstream, mid-stream, and downstream of LNG industry chain and unifying the flows of information, capital, and logistics, especially in the liquefaction of LNG, delivery to consumers, transportation and logistics for industrial applications, transformation from offline traditional sales to online transactions, and the transformation from terminal consumption to process control.

Ji Qi Mao is expected to aim at improving the transaction efficiency in LNG industry by providing domestic coverage of information in LNG industry, involving tanker geographic information systems, global positioning system ("GPS"), integrated backhaul tanker resources, transactions reviews and approval. The business model is also expected to reduce the unloaded tankers ratio, by adopting five new ways of conducting transactions, through Web (Internet), Wap (mobile Internet), Apps (mobile client), WeChat (service account), and personal computer (PC) client, combined with value-added services involving the Internet of Things (IoT), cloud computing, big data, and supply chain finance.

The current operation and future development of Ji Qi Mao may require significant capital investment to carry out further fund raising activities by, including but not limited to, entering into loan agreement(s) with Independent Third Parties.

Business models and concept

Both “Ji Qi Mao Platform” and “Jia Qi Mao Platform” (collectively, the “Platforms”) are expected to adopt business operation model of “business to business to consumer” (the “B2B2C”), connecting LNG factories, gas refueling stations, trading companies, logistics companies and industrial gasification stations. “Ji Qi Mao Platform” is expected to operate capital pools (the “Capital Pools”) with partner settlement banks, of which registered users of such platform shall bind their bank accounts with such platform and carry out trading activities, including but not limited to, making LNG orders, via such platform. For every transaction, it is expected that when the buyer has made the payment, such payment amount will be frozen in the Capital Pools and the payment amount will be remitted into the seller’s bank accounts once the agreed settlement amount or settlement time is met.

“Ji Qi Mao Platform” is expected to collect scattered orders of gas refueling stations and trading companies to facilitate bulk purchase from LNG factories and LNG receiving terminals, thus to speed up the LNG factories and LNG receiving terminals’ LNG sales to earn commission. Such commission is then expected to be rewarded to middle and downstream users, including gas-powered vehicles drivers and industrial gasification stations in order to attract the end users and to guarantee upstream and middle stream bulk purchase.

“Jia Qi Mao Platform” is expected to allow gas-powered vehicles drivers to search for the nearest gas refueling stations, and make payment via settlement partners of “Jia Qi Mao Platform”, including but not limited to, UnionPay, Alipay, WeChat Pay, and credit cards. Registered users of “Jia Qi Mao Platform” can in turn enjoy value-added services and rewards by trading via the “Jia Qi Mao Platform”. Payment amount from each single transactions are then expected to be remitted to the accounts of gas refueling stations in “Ji Qi Mao Platform”, of which they can then use their credits in “Ji Qi Mao Platform” to conduct trading with LNG factories via “Ji Qi Mao Platform”, thereby the Platforms constitute a complete industrial operation chain by realizing the concept of “B2B2C”.

In light of the rapid development in e-commerce market in the PRC and the growing popularity of mobile applications, the Platforms are expected to be launched as mobile applications on Android and iOS systems in the fourth quarter of 2016. Ji Qi Mao will apply for the relevant licenses and intellectual property rights of the relevant systems and mobile applications as developed and designed by Ji Qi Mao.

Corporate restructuring and entering into platform service agreements for the activation of platforms

Yu Shen, an indirect wholly-owned subsidiary of the Vendor, acquired 51% of total issued capital of Ji Qi Mao on 16 June 2016. After such acquisition, on 20 June 2016, Ji Qi Mao and Yu Shen Bao, a direct wholly-owned subsidiary of Yu Shen, jointly established a joint venture, Yu Bao, of which 85% of the shareholding of Yu Bao is held by Yu Shen Bao and the remaining 15% is held by Ji Qi Bao. Yu Bao will be responsible for the operation of the Platforms.

Upon such corporate restructuring, Yu Bao entered into two platform service agreements with the Vendor and Zheng Wei Li respectively. The Platform Service Agreement A and Platform Service Agreement B (collectively the “Platform Service Agreements”) activate the Platforms and divert and inject the existing gas refueling stations business and LNG trading business operating by the Vendor and its subsidiaries to the Platforms. The Platform Service

Agreements are expected to bring possible revenue and income to Yu Bao by charging relevant commission fees, and therefore bringing possible positive financial benefits to Ji Qi Mao and the Target Group.

Summary of the Platform Service Agreements are set out below:

Information on Platform Service Agreement A

Date:	21 June 2016
Parties:	(1) the Vendor; and (2) Yu Bao
Term:	20 years commencing from the date of signing Platform Service Agreement A

Key terms of Platform Service Agreement A:

1. The Vendor shall register as a member on the Platforms and conduct natural gas trading activities on the Platforms through 13 natural gas refueling stations that Vendor has direct or indirect control over.

2. Yu Bao will be entitled to a commission fee of 0.3% of the transaction amount on each transaction conducted by the Vendor on the Platforms.

Information on Platform Service Agreement B

Date:	21 June 2016
Parties:	(1) Zheng Wei Li; and (2) Yu Bao
Term:	20 years commencing from the date of signing Platform Service Agreement B

Key terms of Platform Service Agreement B:

1. Zheng Wei Li shall register as a member on the Platforms and shall procure its natural gas trading to be conducted on the Platforms.

2. Zheng Wei Li shall also procure certain potential buyers and suppliers of natural gas business to register as members on the Platforms and to conduct natural gas trading activities on the Platforms.

3. Yu Bao will be entitled to a commission fee of 0.2% of the transaction amount on each transaction facilitated by Zheng Wei Li on the Platforms.

Financial Information

Set out below are certain audited financial information of Ji Qi Mao for the financial year ended 31 December 2015:

	For the year ended 31 December 2015 *HKD*
Turnover	—
Net Profit/(Loss) (before tax)	(451,625)
Net Profit/(Loss) (after tax)	(451,625)
Net Asset	885,337
Total Asset	981,088

INFORMATION ON CHINA POWER GAS LIMITED

China Power Gas Limited is a company incorporated in Hong Kong on 26 April 2013 with limited liability and principally engaged in investment holding. China Power Gas Limited is a direct wholly-owned subsidiary of the Vendor and an Independent Third Party.

INFORMATION ON SHENZHEN POWER ENERGY LTD

Shenzhen Power Energy Ltd is a company incorporated in the PRC on 17 March 2014 with limited liability and principally engaged in investment holding. Shenzhen Power Energy Ltd is a direct wholly-owned subsidiary of the China Power Gas Limited and an Independent Third Party.

INFORMATION ON ZHENG WEI LI

Zheng Wei Li is a company incorporated in the PRC on 14 January 2016 with limited liability and principally engaged in sales and distribution of natural gas and other related products. Zheng Wei Li is a direct wholly-owned subsidiary of the Shenzhen Power Energy Ltd and an Independent Third Party.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Company is principally engaged in the sales and free distribution of Chinese language lifestyle magazines, sales of advertising space in the magazines and provision of outdoor advertising services.

The Vendor is a direct wholly-owned subsidiary of Blue Sky. Its subsidiaries are principally engaged in sales and distribution of natural gas and other related products.

As disclosed in the 2015 annual report of the Company, the Group experienced a downturn of its business in the second half of 2015 and the Group has recorded a loss for the year ended 31 December 2015 as compared to the profit for the year ended 31 December 2014.

As such, the Group continues to look for other attractive business in an attempt to diversify its business areas in order to reduce the reliance upon the existing magazine and advertising business. The Directors hold the view that there are huge opportunities in e-commerce market in the PRC and the popularity of mobile applications has helped to fuel the e-commerce growth. The PRC government also encourages the use of mobile applications and e-commerce trading platforms. The Directors expect that as facilitated by the abovementioned factors, the operation of LNG e-commerce trading business can potentially bring possible positive financial impacts to the Group. The Directors believe that the business model of Ji Qi Mao would fit the current business operation trend and consumer behaviors in the PRC.

In addition, the Vendor and its subsidiaries have engaged in sales and distribution of natural gas and other related products and have experience and expertise in the operation of LNG trading business. The Directors therefore consider the Acquisition would provide an opportunity for the Company to expand its existing business portfolio into a line of business with growth potential.

PROFIT FORECAST

The appraised value of the entire equity interest of the Target Company under the Valuation Report was prepared using the income approach based on the discounted cash flow method.

As a result, such valuation constitutes a profit forecast under Rule 19.61 of the GEM Listing Rules. Therefore this announcement is subject to the requirements under Rule 19.60A and 19.62 of the GEM Listing Rules in relation to profit forecast.

As required under Rule 19.62(1) of the GEM Listing Rules, details of the key assumptions used in determining the value of the entire equity interest in the Target Company upon which Valuation Report was issued are set out below:

1. There will be sufficient supply of technical staff in the industry in which the Target Company operates.

2. The Target Company will retain competent management, key personnel and technical staff to support its ongoing operations and developments.

3. The profit level will be achieved according to the guarantee made.

4. Interest rates and exchange rates in the localities for the operation of the Target Company will not differ materially from those presently prevailing.

5. All relevant legal approvals and business certificates or licenses to operate the business in the localities in which the Target Company operates or intends to operate would be officially obtained, and renewed upon expiry.

6. There will be no major changes in the current taxation laws in the localities in which the Target Company operates or intends to operate and that the rates of tax payable shall remain unchanged and that all applicable laws and regulations will be complied with.

7. There will be no major changes in the political, legal, economic or financial conditions in the localities in which the Target Company operates or intends to operate, which would adversely affect the revenues attributable to and profitability of the Target Company.

The Directors confirm that the valuation of the entire equity interest of the Target Company in the Valuation Report, which constitutes a profit forecast under Rule 19.61 of the GEM Listing Rules, has been made after due and careful enquiry.

Letters from Cheng and Cheng Limited and Wallbanck Brothers Securities (Hong Kong) Limited are set out respectively in Appendix I and II to this announcement in compliance with Rules 19.62(2) and 19.62(3) of the GEM Listing Rules respectively.

The following are the qualifications of the experts who have given their opinion and advice included in this announcement.

Name	Qualification
Cheng and Cheng Limited	Certified Public Accountants
Steinberg Appraisal and Consulting (Hong Kong) Limited	Independent Professional Valuer
Wallbanck Brothers Securities (Hong Kong) Limited	A licensed corporation to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

As at the date of this announcement, each of Cheng and Cheng Limited, Wallbanck Brothers Securities (Hong Kong) Limited and Steinberg Appraisal and Consulting (Hong Kong) Limited, do not have any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate person to subscribe for securities in any member of the Group.

Each of Cheng and Cheng Limited, Wallbanck Brothers Securities (Hong Kong) Limited and Steinberg Appraisal and Consulting (Hong Kong) Limited, has given and has not withdrawn its consent to the publication of this announcement with inclusion of its report and all reference to its name in the form and context in which it appears.

To the best of the Directors' knowledge, information and belief, each of Cheng and Cheng Limited, Wallbanck Brothers Securities (Hong Kong) Limited and Steinberg Appraisal and Consulting (Hong Kong) Limited is a party independent of the Purchaser and the Company.

RISK FACTORS

Set out below are the risk factors which may be associated with the Acquisition.

New business segment of the Group

The Acquisition is an investment in LNG e-commerce trading platforms, which constitutes a new business segment of the Company. The Company has relatively limited experience in running and managing the new business segment and may have to rely heavily on other professionals for technical support, which in turn may pose significant challenges to the Company's administrative, financial and operational resources.

Significant capital investment

The Target Group's business requires significant capital investment in its current development and future operation, the capital expenditure may exceed the initial estimation and budgets and may not achieve the intended economic results or commercial viability. Actual capital expenditure may significantly exceeds the Company's initial estimation and budgets because of various factors beyond the Company's control, which in turn may affect the Company's financial condition. If the Company is unsuccessful in raising additional capital or if new capital funding costs are higher than its prior capital funding costs, the Company's business operations and financial condition may be materially and adversely impaired.

Key qualified personnel and professionals for the operations

The business of Target Group is operated by a team of professionals having the relevant experience and expertise. However, there is no assurance that after the Acquisition, the enlarged Group could retain the professionals. Any loss of key personnel or failure to recruit and retain personnel for future operations may have a material adverse impact on the business.

Target Group may incur loss in the future

As the business of the Target Group is still in a relatively preliminary stage, it requires time for improvement in its quality and enhancement of its market reputation in order to boost sales in the future. Hence, turnover may stay relatively low and losses may occur in the near future. This is a potential risk which may give rise to a material adverse impact on the Group's business and financial position.

Licenses and permits required for the Target Group's business operation may not be obtained

According to the representation by the Target Group, certain licenses and permits are required to be obtained from the relevant authorities for the operation of the LNG e-commerce trading platform of the Target Group. As at the date of this announcement, the Target Group has not obtained all the required licenses and permits and the Target Group may not be able to obtain all the required licenses and permits. Therefore, the proposed business models of the Target Group may not be realised.

The Target Group operates in a highly competitive industry, which may affect its market shares and results of operations

The Target Group operates in the LNG e-commerce trading platforms market in the PRC and faces strong competition susceptible to factors including but not limited to, price, brand recognition and availability. Some of the Target Group's competitors may have been in the LNG e-commerce trading platform industry for a longer period of time and may have substantially greater financial and distribution resources than the Target Group. Competition may result in price reductions, reduced profit margins, and loss of market shares, any of which could have an adverse impact on the Target Group's results of operations.

Adverse impacts on the Target Group due to global economic instability

Recent downturn of the PRC economy which the Target Group's operation is highly correlated to in 2015 and 2016, and the international financial turmoil that may possibly be intensified by uncertainties including but not limited to, Brexit from the European Union, may have an adverse impact on the business and financial position of the Target Group.

Target Group's business model may not be realized and risk of failure of the business plans of the Target Group

The business plan of the Target Group may be varied and/or may not be realized and the assumptions and bases of the relevant business models may not be valid nor sustainable nor feasible. In particular, "Ji Qi Mao Platform" and "Jia Qi Mao Platform" may not be launched as expected in the fourth quarter of 2016 due to various possible unidentified risks and uncertainties, including but not limited to, technical difficulties that Ji Qi Mao may encounter and that it may not be able to obtain the relevant licenses and permits required.

Assumptions, factors and bases of the Valuation Report may not be realized

The Valuation Report was compiled by the independent valuer based on certain assumptions, factors and bases estimated by the management of the Company, management of the Target Group and/or their representatives. The said assumptions, factors and bases may not be realized and may affect the evaluation significantly.

Uncertainties with respect to interpretation and enforcement of the PRC laws, regulations and policies

The principal business operations of the Target Group are in the PRC and are subject to the local laws, regulations and policies. As the PRC legal system continues to evolve, the interpretations and applicability of the relevant laws, regulations and rules may not be always uniform, which may limit the legal protection available to the Target Group. The policies of PRC government on e-commerce are susceptible to change. Such uncertainties, including the enforceability of contracts, together with any potential evolution of the relevant laws, regulations and policies that are unfavourable to the Target Group, could potentially have material adverse effect on the Group's business and operations.

Possible unidentified risks concerning the Acquisition

Although the Group has conducted preliminary due diligence reviews with respect to the Acquisition, the Group may not identify all the material risks associated with the Acquisition due to inherent limitations of the due diligence reviews, including, among other things, unforeseen contingent risks or latent liabilities relating to the entities acquired or to be acquired that may not be apparent at the time of the Acquisition. Any such unidentified risks could have a material adverse impact on the Group's business, financial conditions and operation results after the completion of the Acquisition. Even if the Group identifies any such risks and terminates the Acquisition Agreement prior to the Completion, the Group's reputation may be harmed and the Group's prospects may be materially and adversely affected.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios are greater than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirements under the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner is Independent Third Parties of the Company, save and except Mr. Cheng. As at the date of this announcement, Mr. Cheng is a director of the Vendor and an executive director and co-chairman of the board of Blue Sky. As at the date of this announcement, Mr. Cheng indirectly owns as to approximately 6.91% of interest in the Company and approximately 12.31% of the interest in Blue Sky.

WARNING NOTICE

Completion of the Acquisition is subject to the fulfillment (or waiver) of the Conditions Precedent as set out in the Acquisition Agreement. As the Acquisition may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

"Acquisition"	the proposed purchase of the Sale Shares by the Purchaser from the Vendors pursuant to the terms and conditions of the Acquisition Agreement
"Acquisition Agreement"	the sale and purchase agreement dated 24 June 2016 which was entered into between the Purchaser and the Vendor in respect of the Acquisition
"Actual Profit"	the actual consolidated net profit after tax earned by the Target Group and as audited and stated in relevant audited financial statements of the Target Group for the corresponding financial year ending 31 December 2017 and 31 December 2018
"Blue Sky"	Blue Sky Power Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are primary listed on the main board of the Stock Exchange and secondary listed on the Singapore Exchange
"Board"	board of Directors of the Company
"Business Day(s)"	a day (excluding Saturday, Sunday and other general holidays in Hong Kong and any day on which a tropical cyclone warning no.8 or above is hoisted) on which licensed banks in Hong Kong are generally open for business
"Company"	Winto Group (Holdings) Limited
"Completion"	completion of the Acquisition
"Completion Date"	the date of Completion, which is within 2 Business Days after the fulfillment, or in the case may be, waiver, of the Conditions Precedent or such other date as the Vendors and the Company may agree in writing
"Conditions Precedent"	the conditions precedent of the Acquisition Agreement, details of which are set out in the subsection headed "Conditions Precedent" in this announcement

"connected person(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Consideration"	the consideration in relation to the Acquisition, the details of which are set out in the subsections headed "Consideration and Manner of Payment" in this announcement
"Corporate Restructuring"	corporate restructuring of the Target Group thereby Target Company legally and beneficially owns its subsidiaries
"Director(s)"	the director(s) of the Company
"GEM"	the Growth Enterprise Market operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries
"Guaranteed Profit"	the consolidated net profit after tax of the Target Group (based on its audited consolidated financial statements) earned in each of the two financial years ending 31 December 2017 and 31 December 2018, the details of which are set out in the subsection headed "Profit Guarantee" in this announcement
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Third Party(ies)"	third party(ies) independent of the Company and its connected persons (as defined under the GEM Listing Rules)
"Ji Qi Mao"	寧夏集氣貓網絡科技有限公司 (transliterated as "Ning Xia Ji Qi Mao Network Technology Limited Company"), a company incorporated in the PRC with limited liability and an Independent Third Party
"LNG"	liquefied natural gas
"Long Stop Date"	30 September 2016 or such other date(s) as may be agreed in writing by the Parties from time to time on which the Conditions Precedent shall be fulfilled
"Parties"	the Company and the Vendor
"Platform Service Agreement A"	the platform service agreement entered into between the Vendor and Yu Bao dated 21 June 2016, details of which are set out in the subsection headed "Information on Platform Service Agreement A" and "Key terms of Platform Service Agreement A" in this announcement
"Platform Service Agreement B"	the platform service agreement entered into between Zheng Wei Li and Yu Bao dated 21 June 2016, details of which are set out in the subsection headed "Information on Platform Service Agreement B" and "Key terms of Platform Service Agreement B" in this announcement
"PRC"	the People's Republic of China

"Promissory Notes"	the promissory notes in the aggregate principal amount of HKD33,000,000 to be issued by the Company in favour of the Vendor in two separate tranches as partial settlement of the total Consideration for the Acquisition, details of which are set out in the subsection headed "Principal Terms of the Promissory Notes"
"Purchaser"	the Company
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Shares"	the shares representing 100% of the issued share capital of the Target Company
"SFC"	The Securities and Futures Commission of Hong Kong
"Share(s)"	ordinary shares of par value HK$0.001 each in the issued share capital of the Company
"Singapore Exchange"	The Singapore Exchange Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong
"Target Company"	Lasermoon Limited, a company incorporated in British Virgin Islands with limited liability and an Independent Third Party
"Target Group"	the Target Company and its subsidiaries
"Valuation Report"	the valuation report prepared by Steinberg Appraisal and Consulting (Hong Kong) Limited, an independent valuer, and commissioned by the Company in respect of the Target Group
"Vendor"	Goldlink Capital Limited, a company incorporated in the British Virgin Islands with limited liability, a direct wholly-owned subsidiary of Blue Sky and an Independent Third Party
"Yu Shen"	深圳裕深能源發展有限公司 (transliterated as "Shenzhen Yu Shen Energy Development Limited Company"), a company incorporated in the PRC with limited liability and an Independent Third Party
"Yu Shen Bao"	深圳裕深寶科技有限公司 (transliterated as "Shenzhen Yu Shen Bao Technology Limited Company"), a company incorporated in the PRC with limited liability and an Independent Third Party
"Yu Bao"	深圳裕寶網絡有限公司 (transliterated as "Shenzhen Yu Bao Network Limited Company"), a company incorporated in the PRC with limited liability and an Independent Third Party
"Zheng Wei Li"	安徽正威力能源有限公司 (transliterated as "An Hui Zheng Wei Li Energy Limited Company"), a company incorporated in the PRC with limited liability and an Independent Third Party

"%" per cent

By order of the Board
Winto Group (Holdings) Limited
Kwan Shun Keung Timmy
Chairman

Hong Kong, 26 June 2016

As at the date of this announcement, the Board comprises Mr. Kwan Shun Keung Timmy, Mr. Mak Wai Kit and Ms. Law Shiu Wai as executive directors; Mr. Liu Kwong Chi Nelson as non-executive director; and Mr. Tsang Ho Ka Eugene, Ms. Wong Fei Tat and Mr. Pang Siu Yin as independent non-executive directors.

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market ("**GEM**") of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

This announcement will remain on the "Latest Company Announcements" page of the GEM website at http://www.hkgem.com for at least 7 days from the date of its posting and be posted and remains on the website of the Company at http://www.wintogroup.hk.

INDEPENDENT ASSURANCE REPORT ON CALCULATIONS OF VALUATION OF 100% EQUITY INTEREST IN LASERMOON LIMITED AS AT 18 JUNE 2016

26 June 2016

TO THE DIRECTORS OF WINTO GROUP (HOLDINGS) LIMITED

We have examined the calculations of the discounted future estimated cash flows on which the valuation prepared by Steinberg Appraisal and Consulting (Hong Kong) Limited dated 24 June 2016, of 100% equity interest in LASERMOON LIMITED and its subsidiaries (the "Target Group") as at 18 June 2016 (the "Valuation") is based. The Target Group are principally engaged in investment holding, sales and distribution of natural gas and other related products, e-commerce trading platform of liquefied natural gas, provision of e-commerce solution concerning the trading of liquefied natural gas and other related products, internet formation technology development, e-commerce, sales, installation, testing and maintenance of information system, and development of software. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under rule 19.61 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and will be included in an announcement dated 26 June 2016 to be issued by Winto Group (Holdings) Limited (the "Company") in connection with the proposed acquisition of 100% issued share capital of the Target Group. ("Announcement")

Directors' responsibility for the discounted future estimated cash flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors (the "Assumptions"). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Reporting accountants' responsibility

It is our responsibility to form an opinion on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the Valuation is based and to report solely to you, as a body, as required by rule 19.62 of the GEM Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled in accordance with the Assumptions. Our work does not constitute any valuation of the Target Group.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material.

Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions.

Cheng & Cheng Limited
Certified Public Accountants

Chan Shek Chi
Practising Certificate Number P05540
10/F., Allied Kajima Building,
138 Gloucester Road, Wanchai,
Hong Kong

WALLBANCK BROTHERS
Securities (Hong Kong) Limited

26 June 2016

The Board of Directors
Winto Group (Holdings) Limited
Room 1001, 10th Floor
Grandmark, 10 Granville Road
Tsim Sha Tsui, Kowloon
Hong Kong

Dear Sir/Madam,

Discloseable transaction concerning the acquisition of 100% interest of Lasermoon Limited

We refer to the cash flow forecasts underlying the valuation report dated 24 June 2016 prepared by Steinberg Appraisal and Consulting (Hong Kong) Limited (the "Independent Valuer") in relation to the valuation on 100 per cent equity interest in Lasermoon Limited (the "Valuation") which constitutes a profit forecast under Rule 19.61 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

In formulating our opinion and recommendations, we have relied on the accuracy of the information, opinions and representations provided to us by the Company, Lasermoon Limited and its subsidiaries (the "Target Group"), Goldlink Capital Limited (the "Vendor") and the Independent Valuer, and have assumed that all information, opinions and representations contained or referred to in the Valuation was true and accurate at the time when they were made and will continue to be accurate at the date of this announcement (the "Announcement"), of which this report forms part. We have also assumed that all statements of belief, opinion and intention made by the Company, the Target Group, the Vendor and the Independent Valuer in the Valuation was reasonably made after due enquiry. We have no reason to doubt that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate, misleading or deceptive. Having made all reasonable enquiries, the Company, the Target Group, the Vendor and the Independent Valuer have further confirmed that, to the best of their knowledge, they believe there are no other facts or representations the omission of which would make any statement in the Valuation, including this letter, misleading or deceptive. We have not, however, carried out any independent verification of the information provided by the Company, the Target Group, the Vendor and the Independent Valuer, nor have we conducted an independent investigation into the business, affairs and financial position of the Company and Lasermoon Limited.

In formulating our opinion, we have relied on the financial information provided by the Company, the Target Group, the Vendor and the Independent Valuer, particularly, on the accuracy and reliability of financial statements and other financial data of the Company and the Target Group. We have not audited, compiled nor reviewed the said financial statements and financial data. We shall not express any opinion or any form of assurance on them. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company, the Target Group, the Vendor and the Independent Valuer. The Directors and the Independent Valuer have also advised us that no material facts have been omitted from the information to reach an informed view, and we have no reason to suspect that any material information has been withheld. We have not carried out any feasibility study on any past, existing and forthcoming investment decision, opportunity or project undertaken or be undertaken by the Company and Lasermoon Limited.

Our opinion has been formed on the assumption that any analysis, estimation, forecast, anticipation, condition and assumption provided by the Company, the Target Group, the Vendor and the Independent Valuer are valid and sustainable. Our opinions shall not be constructed as to give any indication to the validity, sustainability and feasibility of any past, existing and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Company and Lasermoon Limited.

We have reviewed the forecasts upon which the Valuation have been made for which you as the Directors of the Company are responsible and discussed with you and the Independent Valuer the information and documents provided by you which formed part of the bases and assumptions upon which the forecast has been prepared. We have also considered the letter from Cheng and Cheng Limited dated 26 June 2016 addressed to yourselves as set out in Appendix I to the Announcement regarding the accounting policies and calculations upon which the discounted future estimated cash flows have been made.

Our opinion does not address on the appropriateness, feasibility and validity of the bases and assumptions on which the discounted future estimated cash flows are based and our opinion shall not constitute any opinion on any valuation of the relevant projects or an expression of an audit or review opinion on the Valuation.

On the basis of the foregoing, in balance and in general terms, at this stage, we are of the opinion that in such circumstances, the forecasts upon which the Valuation have been made, for which you as the Directors of the Company are solely responsible, have been made after due and careful enquiry by you.

We take no responsibility for the contents of the Announcement, make no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Announcement.

Yours faithfully,
For and on behalf of
Wallbanck Brothers Securities (Hong Kong) Limited
Phil Chan
Chief Executive Officer