

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



Gemdale Properties and Investment Corporation Limited

金地商置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 535)

CONNECTED TRANSACTION THE EIGHTH ENTRUSTED LOAN AGREEMENT

THE EIGHTH ENTRUSTED LOAN AGREEMENT

The Board announces that, on 2 August 2017, Shanghai Zhongjun, a non-wholly owned subsidiary of the Company, entered into the Eighth Entrusted Loan Agreement with Chengdu Logistics and a bank, pursuant to which Shanghai Zhongjun (as Lender) agreed to grant an entrusted loan in the principal amount of RMB400 million to Chengdu Logistics (as Borrower) through the Bank (as lending agent).

LISTING RULES IMPLICATIONS

Shanghai Zhongjun is a non-wholly owned subsidiary of the Company. Chengdu Logistics is a subsidiary of FCL which is a substantial shareholder holding 45.15% beneficial interest in Shanghai Zhongjun. Accordingly, Chengdu Logistics is a connected person of the Company (at the subsidiary level) under Chapter 14A of the Listing Rules. As a result, the entering into the Eighth Entrusted Loan Agreement between Shanghai Zhongjun and Chengdu Logistics constitutes a connected transaction of the Company.

As the Eighth Entrusted Loan Agreement together with the Seventh Entrusted Loan Agreement were made with the subsidiaries of FCL, which is a substantial shareholder of Shanghai Zhongjun, and a bank within a 12-month period prior to the date of the Eighth Entrusted Loan Agreement, the transactions contemplated under the Eighth Entrusted Loan Agreement will be aggregated with the Seventh Entrusted Loan Agreement as if they were one transaction pursuant to Rule 14A.81 of the Listing Rules.

As the applicable Percentage Ratios in respect of the Eighth Entrusted Loan Agreement in aggregate with the Seventh Entrusted Loan Agreement exceed 1% but is less than 5%, the transactions contemplated under the Eighth Entrusted Loan Agreement is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

Reference is made to the announcement of Company dated 14 November 2016 in relation to the Discloseable and Connected Transactions in respect of the Seventh Entrusted Loan Agreement.

The Board announces that, on 2 August 2017, Shanghai Zhongjun, a non-wholly owned subsidiary of the Company, entered into the Eighth Entrusted Loan Agreement with Chengdu Logistics and a bank, pursuant to which Shanghai Zhongjun (as Lender) agreed to grant an entrusted loan in the principal amount of RMB400 million to Chengdu Logistics (as Borrower) through the Bank (as lending agent).

THE EIGHTH ENTRUSTED LOAN AGREEMENT

The principal terms of the Eighth Entrusted Loan Agreement are as follows:-

| | | |
|-----------------|---|--|
| Date | : | 2 August 2017 |
| Parties | : | (a) Shanghai Zhongjun (as Lender); (b) the Bank (as lending agent); and (c) Chengdu Logistics (as Borrower) |
| Loan principal | : | RMB400 million |
| Term | : | 12 months from the date of drawdown |
| Purpose | : | To finance the project development of Chengdu Logistics |
| Interest | : | Floating rate in accordance with the benchmark lending rate in the People's Bank of China, current interest rate is 4.35% per annum |
| Handling charge | : | RMB40,000 and will be paid by Shanghai Zhongjun |
| Repayment | : | To be repaid at the earlier of:- (a) 12 months from the date of drawdown; or (b) 1 month from the date of demand of repayment from the Lender. |

INFORMATION OF THE GROUP, SHANGHAI ZHONGJUN AND THE BORROWER

The Group is principally engaged in property investment, development and management of residential, commercial and business park projects. Shanghai Zhongjun is a non-wholly owned subsidiary of the Company and is principally engaged in property development in the PRC.

Chengdu Logistics is a subsidiary of FCL, a company holding 45.15% beneficial interest in Shanghai Zhongjun and is a company listed on the stock exchange of Singapore. Chengdu Logistics is principally engaged in development and construction, operation and leasing of logistic centres.

REASON FOR AND BENEFITS OF ENTERING INTO THE EIGHTH ENTRUSTED LOAN AGREEMENT FOR THE COMPANY

The purpose of the Eighth Entrusted Loan is for Chengdu Logistics to finance its development of project in Chengdu, the PRC.

The Eighth Entrusted Loan's interest rate is higher than the interest rate received by the Group by placing cash deposits with commercial banks in the PRC. Also, the Group has the flexibility for loan repayment and all interests accrued thereon at any time. Taking into account of the satisfactory financial background of the Borrower and its holding company, FCL, a company listed on the stock exchange of Singapore, the Directors (including the independent non-executive directors) are of the view that the Eighth Entrusted Loan will provide a better utilization of such surplus cash with acceptable levels of risk, and that the Eighth Entrusted Loan Agreement was entered into on normal commercial terms and its terms are fair and reasonable and in the interests of the Company and its shareholders as a whole.

PREVIOUS ENTRUSTED LOAN

On 14 November 2016, Shanghai Zhongjun entered into the Seventh Entrusted Loan Agreement with Chengdu Logistics and a bank, pursuant to which Shanghai Zhongjun (as lender) agreed to grant an entrusted loan in the principal amount of RMB50 million to Chengdu Logistics (as borrower) through the Bank (as lending agent) at floating rate in accordance with the benchmark lending rate in the People's Bank of China (the then interest rate is 4.35% per annum) to be repaid at the earlier of: (a) 12 months from the date of drawdown; or (b) 1 month from the date of demand of repayment from the lender.

LISTING RULES IMPLICATIONS

Shanghai Zhongjun is a non-wholly owned subsidiary of the Company. Chengdu Logistics is a subsidiary of FCL which is a substantial shareholder holding 45.15% beneficial interest in Shanghai Zhongjun. Accordingly, Chengdu Logistics is a connected person of the Company (at the subsidiary level) under Chapter 14A of the Listing Rules. As a result, the entering into the Eighth Entrusted Loan Agreement between Shanghai Zhongjun and Chengdu Logistics constitutes a connected transaction of the Company.

As the Eighth Entrusted Loan Agreement together with the Seventh Entrusted Loan Agreement were made with the subsidiaries of FCL, which is a substantial shareholder of Shanghai Zhongjun, and a bank within a 12-month period prior to the date of the Eighth Entrusted Loan Agreement, the transactions contemplated under the Eighth Entrusted Loan Agreement will be aggregated with the Seventh Entrusted Loan Agreement as if they were one transaction pursuant to Rule 14A.81 of the Listing Rules.

As the applicable Percentage Ratios in respect of the Eighth Entrusted Loan Agreement in aggregate with the Seventh Entrusted Loan Agreement exceed 1% but is less than 5%, the transactions contemplated under the Eighth Entrusted Loan Agreement is subject to the reporting and announcement requirements but is exempt from the circular, independent financial advice and shareholders' approval requirements under Chapter 14A of the Listing Rules.

None of the Directors have a material interest in the Eighth Entrusted Loan Agreement and the transactions contemplated thereunder and therefore, none of the Directors has abstained from voting on the resolutions of the Board for approval of the Eighth Entrusted Loan Agreement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

| | |
|--------------------------------------|---|
| “Bank” | a bank designated by the parties as lending agent and being an independent third party to the Company and its connected persons |
| “Board” | the board of Directors |
| “Chengdu Logistics” or “Borrower” | Chengdu Sino-Singapore South West Logistics Co. Ltd., a company established in the PRC, is a subsidiary of FCL |
| “Company” | Gemdale Properties and Investment Corporation Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company from time to time |

| | |
|------------------------------------|---|
| “Eighth Entrusted Loan” | an entrusted loan with the principal amount of RMB400 million agreed to be granted by Shanghai Zhongjun (as Lender) to Chengdu Logistics (as Borrower) through the Bank (as lending agent) in accordance with the Eighth Entrusted Loan Agreement |
| “Eighth Entrusted Loan Agreement” | an entrusted loan agreement dated 2 August 2017 entered into between Shanghai Zhongjun, Chengdu Logistics and the Bank pursuant to the Eighth Entrusted Loan |
| “FCL” | Frasers Centrepoint Limited, a company incorporated in Singapore with limited liability and the shares of which are listed on the stock exchange of Singapore |
| “Group” | the Company and its subsidiaries from time to time |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Percentage Ratio(s)” | has the meaning ascribed to it under the Listing Rules |
| “PRC” | the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan (Republic of China) for the purposes of this announcement |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Seventh Entrusted Loan” | an entrusted loan with the principal amount of RMB50 million agreed to be granted by Shanghai Zhongjun (as lender) to Chengdu Logistics (as borrower) through the Bank (as lending agent) in accordance with the Seventh Entrusted Loan Agreement |
| “Seventh Entrusted Loan Agreement” | an entrusted loan agreement dated 14 November 2016 entered into between Shanghai Zhongjun, Chengdu Logistics and the Bank pursuant to the Seventh Entrusted Loan |
| “Shanghai Zhongjun” or “Lender” | Shanghai Zhongjun Real Estate Development Co., Ltd., a company established in the PRC, is a non-wholly owned subsidiary of the Company |

| | |
|------------------------------|--|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning ascribed to it under the Listing Rules |
| “substantial shareholder(s)” | has the meaning ascribed to it under the Listing Rules |
| “%” | per cent. |

By Order of the Board
Gemdale Properties and Investment Corporation Limited
Huang Juncan
Chairman and Executive Director

Hong Kong, 2 August 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Ling Ke, Mr. Huang Juncan, Mr. Xu Jiajun and Mr. Wei Chuanjun; two non-executive Directors, namely Mr. Loh Lian Huat and Ms. Zhang Feiyun; and three independent non-executive Directors, namely Mr. Hui Chiu Chung, Mr. Chiang Sheung Yee, Anthony and Mr. Hu Chunyuan.

** For identification purpose only*