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**東原地產控股有限公司**  
**Dowell Property Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 668)**

## **DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN**

The Board announces that on 5 March 2015, the JV Company, a sino-foreign joint venture enterprise established under the laws of the PRC owned as to, through East Profit, 58.93% by the Company as at the date of this announcement, as lender entered into the Loan Agreement with the Borrower, pursuant to which the JV Company has agreed to grant a loan by way of entrusted loan through a licensed bank in the PRC in the amount of RMB28,000,000 to the Borrower for a term of 6 months at the interest rate of 10% per annum.

The transactions contemplated under the Loan Agreement constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

On 5 March 2015, the JV Company, a sino-foreign joint venture enterprise established under the laws of the PRC owned as to, through East Profit, 58.93% by the Company as at the date of this announcement, as lender entered into the Loan Agreement with the Borrower, pursuant to which the JV Company has agreed to grant a loan by way of entrusted loan through a licensed bank in the PRC in the amount of RMB28,000,000 to the Borrower for a term of 6 months at the interest rate of 10% per annum.

The Loan will be used by the Borrower as day-to-day working capital.

## THE LOAN AGREEMENT

- Date:** 5 March 2015
- Lender:** the JV Company, a sino-foreign joint venture enterprise established under the laws of the PRC owned as to 12.50% by Shanghai Dongsheng, 28.57% by Jianghuai Engine and 58.93% by East Profit
- Borrower:** 深圳市東融投資發展有限公司, a company established with limited liability under the laws of the PRC.
- To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower and its ultimate beneficial owner(s) are Independent Third Parties.
- Principal Loan Amount:** RMB28,000,000.
- Term:** A period of 6 months, from 10 March 2015 to 9 September 2015.
- Purpose:** The Loan shall be applied and used by the Borrower as day-to-day working capital.
- Interest:** 10% per annum and calculated as follow:-
- Outstanding balance of the principal amount x No. of the days in the remaining term x (10%/360)
- Administration Fee:** 0.05% per annum and calculated as follow:-
- The actual principal amount withdrawn x 0.05%
- The administrative fee of Loan shall be paid by the Borrower.
- Repayment:** The Borrower shall pay the above-mentioned interest of the Loan to the Lender quarterly on 20 March 2015, 20 June 2015 and 9 September 2015. The Borrower shall repay the principal amount of the Loan at the end of the term of the Loan.
- Governing Law:** PRC law.
- Others:** In the event that the Borrower fails to pay any sum payable under the Loan Agreement when due, default interest and compound interest may be charged for each day of late repayment at the rate of 5% above the interest rate of the Loan.

Any sum paid by the Borrower or deducted from the account of the Borrower by the Lender pursuant to the Loan Agreement shall be used in the following order:

- (a) Payment of administration fee
- (b) Payment of outstanding interest
- (c) Payment of default interest
- (d) Payment of compound interest
- (e) Payment of damages
- (f) Repayment of outstanding principal amount of the Loan

## **REASONS FOR GRANTING THE LOAN**

The provision of the Loan will provide interest income to the JV Company. The Loan will be recorded as loan receivable under current asset of the Group.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the JV Company and the Borrower. The Directors are of the view that the Loan Agreement and its terms are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

## **INFORMATION ON THE BORROWER**

The Borrower is a limited liability company established under the PRC laws and its principal business activities include trading of steel construction material and investing in related business.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Borrower and its ultimate beneficial owner(s) are Independent Third Parties not connected with the Company and connected persons of the Company.

## **INFORMATION ON THE COMPANY, THE GROUP AND THE JV COMPANY**

The Company is principally engaged in investment holding, and the Group is principally engaged in the property investment business including operation of a shopping mall and financially leasing.

The JV Company is a sino-foreign joint venture enterprise established under the laws of the PRC owned as to 12.50% by Shanghai Dongsheng, 28.57% by Jianghuai Engine and 58.93% by East Profit. East Profit is an indirect wholly owned subsidiary of the Company.

Approximately 55.56% of the equity interest of Shanghai Dongsheng is owned by Chongqing Doyen and approximately 77.78% and 22.22% of the equity interest of Chongqing Doyen is owned by Mr. Lo and his spouse, Ms. Chiu, respectively as at the date of this announcement, and Mr. Lo is an executive Director, the Chairman and the Controlling Shareholder, Shanghai Dongsheng is a connected person of the Company under Chapter 14A of the Listing Rules. Approximately 44.44% of the equity interest of Shanghai Dongsheng is owned by 江蘇華西集團公司 (Jiangsu Huaxi Group Company\*) which is indirectly interested in approximately 9.42% of the issued Shares in the Company as at the date of this announcement.

Approximately 41.06% of the equity interest of Jianghuai Engine is owned by Jiangsu Jiangdong and approximately 69.30% of the equity interest of Jiangsu Jiangdong is owned by Chongqing Doyen as at the date of this announcement, approximately 77.78% and 22.22% of the equity interest of Chongqing Doyen is owned by Mr. Lo and his spouse, Ms. Chiu, respectively as at the date of this announcement, and Mr. Lo is an executive Director, the Chairman and the Controlling Shareholder, Jianghuai Engine is also a connected person of the Company under Chapter 14A of the Listing Rules.

## **GENERAL**

Since one or more of the applicable percentage ratios as defined in Rule 14.06 of the Listing Rules is 5% or more, but all are less than 25%, the transactions contemplated under the Loan Agreement constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules.

## **DEFINITIONS**

“Board”	the board of Directors
“Borrower”	深圳市東融投資發展有限公司, a company established with limited liability under the laws of the PRC
“BVI”	the British Virgin Islands
“Chongqing Doyen”	重慶東銀控股集團有限公司 (Chongqing Doyen Holdings Group Co., Ltd.*), a company established with limited liability under the laws of the PRC
“Company”	Dowell Property Holdings Limited (Stock code: 668), a company incorporated in Hong Kong with limited liability, the issued 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
“Controlling Shareholder(s)”	controlling shareholder(s) (which has the meaning ascribed to it under the Listing Rules) of the Company

“Directors”	directors of the Company
“East Profit”	East Profit Global Investments Limited, a company incorporated in BVI with limited liability, an indirect wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s) is/are persons independent of the Company and its connected persons
“Jianghuai Engine”	江蘇江淮動力股份有限公司 (Jiangsu Jianghuai Engine Co., Ltd) (Stock code in Shenzhen Stock Exchange: 000816), a company incorporated in the PRC with limited liability, the issued shares of which are listed on the Shenzhen Stock Exchange
“Jiangsu Jiangdong”	江蘇江動集團有限公司 (Jiangsu Jiangdong Group Co., Ltd*), a company established in the PRC with limited liability
“JV Company”	東葵融資租賃(上海)有限公司 (Dongkui Financial Leasing (Shanghai) Co. Ltd.*), a sino-foreign joint venture enterprise established with a registered capital of US\$28 million under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange
“Loan”	a term loan in the aggregate principal amount of RMB28,000,000 granted by the JV Company to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	a loan agreement dated 5 March 2015 entered into between the JV Company and the Borrower, the details of which are set out in the section headed “The Loan Agreement” in this announcement
“Mr. Lo”	Mr. Lo Siu Yu, the spouse of Ms. Chiu, an executive Director, the Chairman and the Controlling Shareholder
“Ms. Chiu”	Ms. Chiu Kit Hung, the spouse of Mr. Lo
“PRC”	the People’s Republic of China

“Shanghai Dongsheng”	上海東勝股權投資有限公司 (Shanghai Dongsheng Equity Investment Company Limited*), a company established in the PRC with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board  
**Dowell Property Holdings Limited**  
**Cho Chun Wai**  
*Company Secretary*

Hong Kong, 5 March 2015

*As at the date of this announcement, the Board comprises Mr. Lo Siu Yu (Chairman), Ms. Luo Shaoying (Vice Chairman) and Mr. Chen Yang (Chief Executive Officer) as executive Directors; Mr. Wang Xiaobo and Mr. Qin Hong as non-executive Directors; and Mr. Chan Ying Kay, Dr. Zhu Wenhui and Mr. Wang Jin Ling as independent non-executive Directors.*

\* *For identification purpose only*