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If you have sold or transferred all your shares in Gemdale Properties and Investment Corporation Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or other transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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金地商置

Gemdale ■ Properties and Investment

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)

MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHT IN NANJING, THE PRC

2 September 2015

* *For identification purpose only*

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“Acquisition”	the acquisition of the land use right of the Land by the Company on 13 May 2015 at a public land auction held by Nanjing Land Resources Bureau
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Gemdale Properties and Investment Corporation Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Confirmation Letter”	the legally binding confirmation notice dated 13 May 2015 entered into between Nanjing Land Resources Bureau and the Company confirming the transfer of the land use right of the Land from the Nanjing Land Resources Bureau to the Company
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land”	a parcel of land located at south of Hexi, Jianye District, Nanjing, the PRC (east to State-owned vacant land, south to Jiangdongnan Road, west to Huaihe Road, north to Guihuadao Road)* (中國南京建鄴區河西南部,東至國有空地,南至江東南路,西至淮河路,北至規劃道路)
“Land Consideration”	approximately RMB2,028 million
“Land Use Right Grant Contract”	the land use right grant contract to be entered into between the Nanjing Land Resources Bureau and the Company in respect of the transfer of the land use right of the Land

DEFINITIONS

“Latest Practicable Date”	31 August 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing Land Resources Bureau”	Nanjing Land Resources Bureau* (南京市國土資源局), the governmental department in charge of land and resources in Nanjing, the PRC
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Shareholders”	holders of the Shares
“Shares”	the ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“USD”	United States Dollars, the lawful currency of the United States of America
“%”	per cent.

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LETTER FROM THE BOARD



金地商置

Gemdale ■ Properties and Investment

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)

Executive Directors:

Mr. Ling Ke

Mr. Huang Juncan (*Chairman*)

Mr. Xu Jiajun (*Chief Executive Officer*)

Mr. Wei Chuanjun (*Chief Financial Officer*)

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Non-executive Directors:

Mr. Loh Lian Huat

Ms. Zhang Feiyun

*Head Office and Principal Place
of Business:*

Suites 3602-3608, 36th Floor

Two International Finance Centre

No. 8 Finance Street

Central

Hong Kong

Independent non-executive Directors:

Mr. Hui Chiu Chung

Mr. Chiang Sheung Yee, Anthony

Mr. Hu Chunyuan

2 September 2015

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
ACQUISITION OF LAND USE RIGHT IN NANJING, THE PRC**

INTRODUCTION

References are made to the announcements of the Company dated 14 May 2015, 5 June 2015, 26 June 2015, 31 July 2015 and 31 August 2015 in relation to the Acquisition. The purpose of this circular is to provide you with further details regarding the Acquisition.

ACQUISITION OF LAND USE RIGHT

On 13 May 2015, the Company won the bid for the land use right of the Land in Nanjing at a public land auction at a consideration of approximately RMB2,028 million. The Confirmation Letter was entered into between the Nanjing Land Resources Bureau and the Company on 13 May 2015. The Land Use Right Grant Contract in respect of the Acquisition is expected to be entered into on or before 24 November 2015.

* *For identification purpose only*

LETTER FROM THE BOARD

PRINCIPAL TERMS OF THE CONFIRMATION LETTER AND INFORMATION OF THE LAND

Date of the Confirmation Letter	:	13 May 2015
Parties to the Confirmation Letter	:	the Nanjing Land Resources Bureau and the Company
Location of the Land	:	South of Hexi, Jianye District, Nanjing, the PRC (east to State-owned vacant land, south to Jiangdongnan Road, west to Huaihe Road, north to Guihuadao Road)
Total site area	:	93,284.98 square meters
Nature of the land use right	:	Residential, commercial, office and service apartments
Total gross floor area	:	approximately 334,709 square meters
Land Consideration	:	approximately RMB2,028 million

CONSIDERATION AND THE PAYMENT TERMS

The Land Consideration was approximately RMB2,028 million which is equivalent to approximately RMB21,740 per square meter of the Land area and approximately RMB6,059 per square meter of gross floor area. The Land Consideration was arrived at after the listing-for-sale process held by the Nanjing Land Resources Bureau on 13 May 2015.

Pursuant to the agreement with Nanjing Land Resources Bureau, 50% of the Land Consideration is expected to be paid by the Company on or before 20 November 2015 and the balance of the Land Consideration is expected to be paid by the Company on or before 20 May 2016. At the same time when the first 50% of the Land Consideration is being paid by the Company, an amount of RMB400 million being the deposit paid by the Company for the participation of the land bidding will be refunded to the Company. The payment of the Land Consideration will be funded by internal resources of the Group amounting to approximately RMB500 million and bank borrowings of approximately RMB1,528 million. As of the Latest Practicable Date, no definitive agreement has been entered into by the Company for such bank borrowings.

INFORMATION OF THE NANJING LAND RESOURCES BUREAU

Nanjing Land Resources Bureau is a PRC governmental authority and the seller of the Land.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, Nanjing Land Resources Bureau and its ultimate beneficial owners (if any) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

LETTER FROM THE BOARD

REASONS FOR THE ACQUISITION

The Group is principally engaged in property development, investment and management of residential, commercial and business park projects.

The Board considers that the Land, which is located at a prime location in Nanjing, has great development potential in residential, office and commercial property. It is the Group's intention that a mixed-use real estate project will be developed on the Land. Based on the latest design, the Land would be developed into seven residential buildings, one office building, four service apartments' buildings and one shopping mall and the limit for the heights of these buildings is 200 meters. As of the Latest Practicable Date, the Land is currently vacant and no development approval has been granted. The Board believes that the Acquisition provides an excellent investment opportunity for the Group to establish its position in the property market in Nanjing, the PRC.

The Company considers that the Acquisition is in the ordinary and usual course of business of the Group and on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE ACQUISITION

Immediately upon the Acquisition and assuming RMB500 million to be satisfied by the Group's cash/bank balances and RMB1,528 million to be satisfied by bank borrowings, the financial effects of the Group upon completion of the Acquisition are (a) an increase in assets of approximately RMB1,528 million, being a net effect from an increase of asset from land amounting to RMB2,028 million minus a decrease in cash amounting to RMB500 million; (b) an increase in liabilities (representing the bank borrowings) of approximately RMB1,528 million; and (c) an insignificant effect on the earnings of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. The Group is principally engaged in property development, investment and management of residential, commercial and business park projects, as such, the Company considers itself to be a qualified issuer for the purpose of Rule 14.04(10B) of the Listing Rules. Accordingly, the Acquisition is regarded as a "qualified property acquisition" under Rule 14.04(10C) of the Listing Rules as the Acquisition involves an acquisition of governmental land from a PRC Governmental Body (as defined in the Listing Rules) through a tender, auction or listing-for-sale governed by PRC Law (as defined in the Listing Rules). Therefore, valuation of the Land is not required under Rule 5.02A(2) of the Listing Rules.

The Board confirms that the Acquisition is in the Group's ordinary and usual course of business and on normal commercial terms which are fair and reasonable and in the interests of the Company and Shareholders as a whole. The Acquisition is subject to the reporting and announcement requirements and is exempt from the shareholders' approval requirements pursuant to Rule 14.33A of the Listing Rules.

LETTER FROM THE BOARD

GENERAL

Your attention is also drawn to the financial information of the Group and general information set out in the appendices to this circular.

Yours faithfully,

For and on behalf of the Board

Gemdale Properties and Investment Corporation Limited

Huang Juncan

Chairman and Executive Director

1. CONSOLIDATED FINANCIAL STATEMENTS

The unaudited financial information of the Group for the six months ended 30 June 2015 can be found at the preliminary results announcement published by the Company on 17 August 2015 at:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0817/LTN20150817857.pdf>

The audited consolidated financial statements of the Group for the year ended 30 September 2012, the fifteen months ended 31 December 2013 and the year ended 31 December 2014 are disclosed in the following documents which have been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (<http://www.gemdalepi.com/Relationship/Report.aspx>):

- pages 62 to 178 in the annual report 2011/12 of the Company for the year ended 30 September 2012 published on 3 January 2013;
- pages 83 to 226 in the annual report 2012/13 of the Company for the fifteen months ended 31 December 2013 published on 20 March 2014; and
- pages 72 to 202 in the annual report 2014 of the Company for the year ended 31 December 2014 published on 1 April 2015.

Each of the said audited consolidated financial statements of the Group is incorporated by reference to this circular and forms part of this circular. Please also see below the links to the annual reports of the Company:

Annual Report 2011/12:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/0103/LTN20130103826.pdf>

Annual Report 2012/13:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/0320/LTN20140320516.pdf>

Annual Report 2014:

<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0401/LTN201504011039.pdf>

2. STATEMENT OF INDEBTEDNESS

As at 31 July 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group's total indebtedness is set out below:

	<i>RMB'000</i>
Bank borrowing (unsecured)	1,115,850
Loans from the ultimate holding company (unsecured)	486,087
Loans from the immediate holding company (unsecured)	243,452
Amount due to the ultimate holding company (unsecured)	907,780
Amount due to the immediate holding company (unsecured)	839
Amount due to a non-controlling shareholder (unsecured)	65,078
	<u>2,819,086</u>

As at 31 July 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this circular, the Group had outstanding guarantees of approximately RMB155,007,000 to banks in favour of its customers in respect of the mortgage loans provided by the banks to those customers for the purpose of the Group's properties under development.

Save as disclosed above and apart from intra-group liabilities, the Group did not have, at the close of business on 31 July 2015, any debt securities issued and outstanding or agreed to be issued, bank borrowings or other similar indebtedness, mortgages and charges, guarantees or other material contingent liabilities.

The Directors confirmed that there had been no material change in the indebtedness and contingent liabilities to the Group since 31 July 2015.

3. WORKING CAPITAL

After due and careful consideration, the Directors are of the opinion that, taking into account the Group's internal resources, available banking facilities and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its present requirements for the period of twelve months from the date of this circular.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

In the coming financial year, the Group will continue to be engaged in property development, investment and management of residential, commercial and business park projects.

As at the Latest Practicable Date, the Group had several property development projects under various stages of development. Details of which have been set out in the section headed “Review of Operations” in the annual report of the Company as at and for the twelve months ended 31 December 2014.

The aggregate contracted sales of the Group from January to July 2015 amounted to approximately RMB4,945 million and the aggregate contracted sales area for the same period amounted to approximately 293,000 square meters. As at 30 June 2015, the Group had a total shareholders’ funds of approximately RMB7.4 billion, with a net cash (cash and bank deposits minus interest-bearing debts) of approximately RMB0.5 billion. The Directors expect that the Group will continue to maintain a healthy financial position to support the business operations.

Riding on the Group’s solid foundation of existing property development projects, the Group would continue to explore possible investment and acquisition opportunities. The Group would continue to leverage on the market knowledge, experience and resources provided by 金地(集團)股份有限公司 (“**Gemdale Corporation***”), the ultimate holding company of the Company, so as to achieve synergistic effects in terms of operation effectiveness and branding.

* *For identification purpose only*

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

2. DISCLOSURE OF INTERESTS BY DIRECTORS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, were as follows:

(a) Long position in the shares and share options of the Company

Name of Director	Nature of interest	Number of Shares	Number of share options outstanding	Notes	Total number of underlying shares	Approximate percentage of total shareholding (Note 5)
Mr. Ling Ke	Beneficial Owner	–	27,950,000	1	167,450,000	1.11%
			49,500,000	2		
			90,000,000	3		
Mr. Huang Juncan	Beneficial Owner	–	20,960,000	1	144,460,000	0.95%
			43,500,000	2		
			80,000,000	3		
Mr. Xu Jiajun	Beneficial Owner	–	15,130,000	1	126,230,000	0.83%
			39,100,000	2		
			72,000,000	3		
Mr. Wei Chuanjun	Beneficial Owner	–	11,650,000	1	104,150,000	0.69%
			32,500,000	2		
			60,000,000	3		
Mr. Loh Lian Huat	Through a controlled corporation	1,000,000	–	4	1,000,000	0.01%
Mr. Hui Chiu Chung	Beneficial Owner	–	2,000,000	1	8,000,000	0.05%
			3,000,000	2		
			3,000,000	3		

Name of Director	Nature of interest	Number of Shares	Number of share options outstanding	Notes	Total number of underlying shares	Approximate percentage of total shareholding (Note 5)
Mr. Chiang Sheung Yee, Anthony	Beneficial Owner	–	2,000,000	1	8,000,000	0.05%
			3,000,000	2		
			3,000,000	3		
Mr. Hu Chunyuan	Beneficial Owner	–	2,000,000	1	8,000,000	0.05%
			3,000,000	2		
			3,000,000	3		

Notes:

- The share options were granted on 7 January 2013, each with an exercise price of HK\$0.55 per Share and a validity period from 7 January 2013 to 6 January 2023 under the share option scheme adopted by the Company on 20 May 2003.
- The share options were granted on 20 May 2013, each with an exercise price of HK\$0.792 per Share and a validity period from 20 May 2013 to 19 May 2023 under the share option scheme adopted by the Company on 15 May 2013.
- The share options were granted on 29 December 2014, each with an exercise price of HK\$0.44 per Share and a validity period from 29 December 2014 to 28 December 2024 under the share option scheme adopted by the Company on 15 May 2013.
- Mr. Loh Lian Huat's interest in 1,000,000 Shares is held through Silkrouteasia Capital Partners Pte Ltd which is 50% owned by Mr. Loh Lian Huat.
- The percentage shareholding in the Company is calculated on the basis of 15,147,101,032 Shares in issue as at the Latest Practicable Date.
- The share options granted are subject to certain vesting period as set out in the relevant offer letter.

(b) Long position in the shares and underlying shares of the associated corporation of the Company – Gemdale Corporation*

Name of Director	Nature of interest	Number of shares	Number of share options outstanding (Note)	Total number of underlying shares	Approximate percentage of total shareholding
Mr. Ling Ke	Beneficial Owner	130,000	3,578,400	3,708,400	0.08%
Mr. Huang Juncan	Beneficial Owner	100,000	1,965,600	2,065,600	0.05%
Mr. Xu Jiajun	Beneficial Owner	50,000	1,000,800	1,050,800	0.02%
Mr. Wei Chuanjun	Beneficial Owner	22,500	957,600	980,100	0.02%

Note: The share options were granted on 19 March 2010, each with an exercise price of RMB7.29 per share and a validity period from 19 March 2011 to 18 March 2017.

(c) Other Directors' interest

As at the Latest Practicable Date, the following Directors were also a director or an employee of the following companies, each of which had or was deemed to have an interest or short position in the shares or underlying shares in respect of equity derivatives of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Director	Name of substantial shareholder of the Company	Position in substantial shareholder of the Company
Mr. Ling Ke	Gemdale Corporation*	Director
	Famous Commercial Limited ("Famous Commercial")	Director
Mr. Huang Juncan	Gemdale Corporation*	Director
	Famous Commercial	Director
Mr. Xu Jiajun	Gemdale Corporation*	Director
Mr. Wei Chuanjun	Gemdale Corporation*	Chief Financial Officer
	Famous Commercial	Director

Save as disclosed in this paragraph, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules.

3. DIRECTORS' INTEREST IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2014, being the date to which the latest published audited consolidated financial statements of the Group were made up.

4. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, save for the following continuing connected transactions which constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group:

- (a) the trademark master agreement dated 8 April 2013 entered into between Gemdale Corporation* and the Company, as supplemented by a supplemental agreement thereto entered into between the same parties on 17 August 2013, in relation to the licensing of certain trademarks of Gemdale Corporation* to the Group, particulars of which are set out in the circular of the Company dated 26 April 2013. This agreement was renewed on 13 December 2013 and 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;
- (b) the entrusted operation agreement dated 8 April 2013 entered into between 陝西金地佳和置業有限公司 (Shaanxi Gemdale Jiahe Property Co., Ltd.*), a company established in the PRC and a subsidiary of Gemdale Corporation*, and the Company in relation to the operation of the Xi'an property as set out therein, particulars of which are set out in the circular of the Company dated 26 April 2013. This agreement was renewed on 13 December 2013 and 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;
- (c) the entrusted operation agreement dated 8 April 2013 entered into between 北京金地鴻運房地產開發有限公司 (Beijing Gemdale Hongyun Real Estate Development Co., Ltd.*), a company established in the PRC and a subsidiary of Gemdale Corporation*, and the Company in relation to the operation of the Beijing property as set out therein, particulars of which are set out in the circular of the Company dated 26 April 2013. This agreement was renewed on 13 December 2013 and 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;
- (d) the property management service agreement dated 8 April 2013 entered into between 深圳威新軟件科技有限公司 (Vision (Shenzhen) Software Technology Co., Ltd.*) (“**Shenzhen Weixin**”), a company established in the PRC and a wholly-owned subsidiary of the Company, and 深圳市金地物業管理有限公司 (Shenzhen Gemdale Property Management Ltd.*) (“**Shenzhen Gemdale**”), a company established in the PRC and a subsidiary of Gemdale Corporation*, in relation to the provision of property management services for the property as set out therein, particulars of which are set out in the circular of the Company dated 26 April 2013. This agreement was renewed on 13 December 2013 and 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;

- (e) the entrusted operation agreement dated 13 December 2013 entered into between 紹興市金地申興房地產發展有限公司 (Shaoxing Gemdale Shenxing Real Estate Development Co., Ltd.*), a company established in the PRC and a subsidiary of Gemdale Corporation*, and the Company in relation to the operation of the Shaoxing property as set out therein, particulars of which are set out in the circular of the Company dated 7 January 2014. This agreement was renewed on 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;
- (f) the framework agreement dated 13 December 2013 entered into between Shenzhen Gemdale and the Company in relation to the provision of property management services for the development stage of the property projects of the Group as set out therein, particulars of which are set out in the circular of the Company dated 7 January 2014. This agreement was renewed on 18 March 2015, details of which are set out in the announcement of the Company dated 18 March 2015;
- (g) the framework system installation agreement dated 18 March 2015 entered into between the Company and 深圳市金地樓宇工程有限公司 (Shenzhen Gemdale Building Project Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Gemdale Corporation*, in relation to the provision of certain intelligent system installation services for the various property projects of the Group for the period ending 31 December 2015; particulars of which are set out in the announcement of the Company dated 18 March 2015; and
- (h) the tenancy agreement dated 26 June 2015 entered into between Shenzhen Weixin as landlord and Shenzhen Gemdale as tenant, in respect of the leasing of 中國深圳市南山區高新南九道9號深圳威新軟件科技園7號樓3層及3A層 (3rd Floor and 3A Floor, Block 7, Vision Shenzhen Business Park, 9 Gaoxin 9th South Road, Nanshan District, Shenzhen, PRC*) for a term of 34 months, particulars of which are set out in the announcement of the Company dated 26 June 2015.

5. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, the following persons had interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Long position in the Shares of the Company

Name of Shareholder	<i>Notes</i>	Nature of interest/Capacity	Number of Shares interested	Approximate percentage of total shareholding <i>(Note 3)</i>
Famous Commercial	1	Directly beneficially owned	6,565,112,983	43.34%
OUE Lippo Limited ("OUE Lippo")	2	Directly beneficially owned	2,900,000,000	19.15%

Notes:

1. Famous Commercial was wholly and beneficially owned by Gemdale Corporation*. Gemdale Corporation* is a company established in the PRC and whose shares are listed on the Shanghai Stock Exchange.
2. As at the Latest Practicable Date, OUE Lippo was owned as to 50% by OUE Baytown Pte. Ltd. (a wholly-owned subsidiary of OUE Limited whose shares are listed on the Singapore Stock Exchange) and 50% by Epoch Thrive Limited. OUE Limited was a subsidiary of Lippo ASM Asia Property Limited, which was owned as to 50% by Pacific Landmark Holdings Limited and as to 50% by Admiralty Station Management Limited. Pacific Landmark Holdings Limited and Admiralty Station Management Limited were beneficially owned by Dr. Mochtar Riady and Mr. Chan Kin, respectively while Epoch Thrive Limited was wholly-owned by Mr. Gu Lei.
3. The percentage shareholding in the Company is calculated on the basis of 15,147,101,032 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, other than a Director or chief executive of the Company, no persons had interests or short position in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

6. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation, other than statutory compensation).

7. MATERIAL CONTRACTS

The following contracts (not being contract in the ordinary course of business of the Group) have been entered into by members of the Group which are or may be material within the two years immediately preceding the date of this circular:

- (a) the entrusted loan agreement dated 3 August 2015 entered into between Shanghai Zhongjun Real Estate Development Co., Ltd. (“**Shanghai Zhongjun**”), a non-wholly owned subsidiary of the Company, as lender, and Chengdu Sino-Singapore South West Logistics Co. Ltd. (“**Chengdu Logistics**”), a subsidiary of a substantial shareholder of Shanghai Zhongjun, as borrower and a bank as lending agent, pursuant to which Shanghai Zhongjun agreed to grant an entrusted loan with the principal amount of RMB420 million to Chengdu Logistics through the bank;
- (b) the entrusted loan agreement dated 26 March 2015 entered into between Shanghai Zhongjun, as lender, and Chengdu Logistics as borrower and a bank as lending agent, pursuant to which Shanghai Zhongjun agreed to grant an entrusted loan with the principal amount of RMB100 million to Chengdu Logistics through the bank;
- (c) the entrusted loan agreement dated 10 March 2015 entered into between Shanghai Zhongjun, as lender, and Singlong Real Estate (Suzhou) Co., Ltd. (“**Singlong Suzhou**”) as borrower, a subsidiary of a substantial shareholder of Shanghai Zhongjun, and a bank as lending agent, pursuant to which Shanghai Zhongjun agreed to grant an entrusted loan with the principal amount of RMB400 million to Singlong Suzhou through the bank;
- (d) the disposal agreement dated 17 October 2014 entered into between Ever Trusty Commercial Limited (永信商務有限公司), a non-wholly owned subsidiary of the Company, as vendor and 西安金地置業投資有限公司 (Xi’an Gemdale Property Investment Co., Ltd.*), a subsidiary of Gemdale Corporation*, as purchaser, as supplemented by a supplemental agreement thereto entered into between the same parties on the same date, in respect of the disposal of the 100% equity interest in 西安築家置業有限公司 (Xi’an Zhujia Property Co., Ltd.*) at a consideration of USD108,344,000;
- (e) the disposal agreement dated 17 October 2014 entered into between Integrity Investment (Hong Kong) Limited (誠信投資(香港)有限公司), a non-wholly owned subsidiary of the Company, as vendor and 瀋陽金地天邦房地產開發有限公司 (Shenyang Gemdale Tianbang Real Estate Development Co., Ltd.*), a subsidiary of Gemdale Corporation*, as purchaser, as supplemented by a supplemental agreement thereto entered into between the same parties on the same date, in respect of the disposal of the 100% equity interest in 瀋陽金地濱河房地產置業有限公司 (Shenyang Gemdale Binhe Real Estate Development Co., Ltd.*) at a consideration of USD64,533,000; and

- (f) the entrusted loan agreement dated 17 September 2014 entered into between Shanghai Zhongjun as lender, and Chengdu Logistics as borrower and a bank as lending agent, pursuant to which Shanghai Zhongjun agreed to grant an entrusted loan with the principal amount of RMB200 million to Chengdu Logistics through the bank.

8. LITIGATION AND CLAIMS

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigations or claims and no litigations or claims of material importance is pending or threatened against the Company or any member of the Group.

9. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, Mr. Ling Ke, Mr. Huang Juncan, Mr. Xu Jiajun and Mr. Wei Chuanjun, all being executive Directors, held shareholding or other interests and/or directorships in companies/entities within the group of Gemdale Corporation* (as disclosed in paragraphs 2(b) and 2(c) in this appendix). Gemdale Corporation* mainly focuses on residential property development and participates in large-scale urban complex/commercial projects in the top 50 cities (by population/economic scale) in the PRC including, among others, Beijing, Shanghai, Shenzhen, Guangzhou, Shenyang, Dailian, Nanjing, Suzhou, Hangzhou, Ningbo, Shaoxing, Dongguan, Foshan, Zhuhai, Kunming, Tianjin, Qingdao, Xi'an, Wuhan, Changsha and Zhengzhou.

The Company is engaged in property development, investment and management of residential, commercial and business park projects in the top 20 cities (by population/economic scale) in the PRC including Beijing, Shanghai, Shenzhen, Nanjing, Shenyang, Dailian, Xi'an, Ningbo, Tianjin, Hangzhou and Suzhou.

The Board also includes two non-executive Directors and three independent non-executive Directors whose views carry significant weight in the Board's decisions. Therefore the Board is independent from the board of directors/governing committees of Gemdale Corporation* and none of the abovementioned Directors can personally manage the Board. The audit committee of the Company, which consists of three independent non-executive Directors, meets regularly to assist the Board in reviewing the financial performance, internal control and compliance systems of the Group.

Further, each of the above-mentioned Directors is fully aware of, and has been discharging, his fiduciary duty to the Company and has acted and will continue to act in the best interest of the Company and its Shareholders as a whole. Therefore, the Group is capable of carrying on its business independently of, and at arm's length from, the businesses of such companies/entities in which Directors have declared interests.

As at the Latest Practicable Date, save as disclosed above, so far as the Directors are aware, none of the Directors nor their respective close associates had any interest in any business, which competes or may compete, either directly or indirectly, with the business of the Group.

10. GENERAL

The English text of this circular shall prevail over the Chinese text in case of inconsistency.

The company secretary of the Company is Mr. Wong Ho Yin. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and a CFA charterholder.

The registered office of the Company is situated at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda.

The head office and principal place of business of the Company in Hong Kong is situated at Suites 3602-3608, 36th Floor, Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong.

The principal share registrar of the Company is MUFG Fund Services (Bermuda) Limited at The Belvedere Building, 69 Pitts Bay Road, Pembroke HM08, Bermuda.

The branch share registrar and transfer office of the Company in Hong Kong is Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

11. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents will be available for inspection at the principal place of business of the Company in Hong Kong at Suites 3602-3608, 36th Floor, Two International Finance Centre, No. 8 Finance Street, Central, Hong Kong during normal business hours on any weekday (public holidays excluded) from the date of this circular up to and including a date which in any event is not less than 14 days from the date of this circular:

- (i) the memorandum of association and bye-laws of the Company;
- (ii) the annual reports of the Company as at and for the 15 months ended 31 December 2013 and as at and for the year ended 31 December 2014;
- (iii) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix; and
- (iv) this circular together with a copy of each circular which has been issued by the Company since 31 December 2014.

* *For identification purpose only*