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GR PROPERTIES LIMITED

國銳地產有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

DISPOSAL OF SHARES BY CONTROLLING SHAREHOLDER

This announcement is made by GR Properties Limited (the “**Company**”) on a voluntary basis.

The Company has been notified by Wintime Company Limited (the “**Controlling Shareholder**”), the controlling shareholder of the Company and a wholly-owned subsidiary of Winluck Global Limited (“**Winluck**”), which in turn is wholly owned by Mr. Wei Chunxian (“**Mr. Wei**”), the chairman and executive director of the Company, that on 19 December 2017 (after trading hours), it has entered into a conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) with, Mr. Wei and Chance Talent Management Limited (the “**Buyer**”), an indirect wholly-owned subsidiary of CCB International (Holdings) Limited (“**CCBI**”), pursuant to which the Controlling Shareholder agreed to sell and the Buyer agreed to purchase 150,000,000 issued shares of the Company (the “**Sale Share(s)**”) held by the Controlling Shareholder to the Buyer (the “**Sale**”) at the price per Sale Share which shall be the lower of (i) HK\$1.2 per Sale Share, and (ii) the average closing price per share of the Company of five (5) trading days immediately preceding the completion date and the total consideration shall be not more than HK\$180,000,000 (the “**Investment Capital**”). To the best knowledge, information and belief of the directors of the Company, the Buyer is independent of and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) and not acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers) with the Controlling Shareholder.

The Company was informed by the Controlling Shareholder that completion of the Sale is expected to take place on or before 21 December 2017. The Company was further informed by the Controlling Shareholder that on the date of the Sale and Purchase Agreement, the Controlling Shareholder has also entered into certain transaction documents (the “**Transaction Documents**”) (which shall take effect upon completion of the Sale) with, the Buyer, Mr. Wei and Winluck, pursuant to which (i) the Buyer agrees to provide a lock-up undertaking not to sell, transfer or dispose of the Sale Shares for a period of one (1) year from the date of completion of the Sale; (ii) Mr. Wei agrees to guarantee the Buyer a return calculated based on a certain percentage of the Investment Capital (the “**Guaranteed Return**”), and to indemnify the Buyer of any shortfall; and (iii) the Buyer agrees and undertakes to have a sharing of profits with Mr. Wei in the event that the profits generated from the disposal of all the Sale Shares exceed the Guaranteed Return. Pursuant to the terms and conditions of the Transaction Documents, the Controlling Shareholder agrees to deposit such number of Shares representing 51% of the total issued share capital of the Company, which are legally and beneficially held by the Controlling Shareholder, into a securities account maintained at CCB International Securities Limited, an indirect wholly-owned subsidiary of CCBI, on or prior to the date of completion of the Sale.

As at the date of this announcement, the Controlling Shareholder owned a total of 984,214,591 shares of the Company, representing approximately 63.62% of the issued share capital of the Company. The Sale Shares represent approximately 9.69% of the issued share capital of the Company as at the date of this announcement. Immediately after completion of the Sale, assuming there is no change in the issued share capital of the Company from the date of this announcement to the date of completion of the Sale, the Controlling Shareholder will own a total of 834,214,591 shares of the Company, representing approximately 53.92% of the issued share capital of the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board of
GR Properties Limited
Wei Chunxian
Chairman

Hong Kong, 19 December 2017

As at the date of this announcement, the executive directors of the Company are Mr. Wei Chunxian, Mr. Sun Zhongmin and Ms. Liu Shuhua; and the independent non-executive directors of the Company are Mr. Tung Woon Cheung Eric, Mr. Chui Tsan Kit and Mr. Au Yueng Po Fung.