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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)

FIRST COMPLETION OF THE VERY SUBSTANTIAL ACQUISITION AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF ENTIRE ISSUED SHARE CAPITAL OF WISE EXPERT INVESTMENT LIMITED

Reference is made to (i) the announcement of GR Properties Limited (the “**Company**”) dated 30 May 2018 and (ii) the circular of the Company dated 20 July 2018 (the “**Circular**”) in relation to, among other things, the very substantial acquisition and connected transaction in relation to the acquisition of entire issued share capital of Wise Expert Investment Limited. Capitalised terms used in this announcement shall have the same meaning as those defined in the Circular unless otherwise specified.

The Board is pleased to announce that all the Conditions Precedent I under the Agreement have been fulfilled and the 1st Completion Date was 17 August 2018.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company (i) immediately before the 1st Completion Date; (ii) immediately upon the allotment and issuance of the Consideration Shares to Wintime Company Limited (being the designated nominee of Vendor A) and Mr. Sun (being the designated nominee of Vendor B) and without conversion of the Convertible Bonds issued by the Company pursuant to the Payment Schedule (i.e. principal amount of HK\$1,003,723,812 to Wintime Company Limited (being the designated nominee of Vendor A) and HK\$99,269,388 to Mr. Sun (being the designated nominee of Vendor B)) (“**1st Tranche Convertible Bonds**”) upon the 1st Completion Date; and (iii) immediately upon the allotment and issuance of the Consideration Shares and assuming full conversion of the 1st Tranche Convertible Bonds upon the 1st Completion Date:

Shareholders	Immediately before the 1st Completion Date		Immediately upon the allotment and issuance of the Consideration Shares and without conversion of the 1st Tranche Convertible Bonds upon the 1st Completion Date		Immediately upon the allotment and issuance of the Consideration Shares and assuming full conversion of the 1st Tranche Convertible Bonds upon the 1st Completion Date	
	Number of Shares	Approximately %	Number of Shares	Approximately %	Number of Shares	Approximately %
Wintime Company Limited (Note 1)	1,023,487,377	37.45	1,434,421,537	45.05	2,689,076,302	58.93
Gang Rui (Note 1)	<u>811,738,927</u>	<u>29.70</u>	<u>811,738,927</u>	<u>25.49</u>	<u>811,738,927</u>	<u>17.79</u>
Sub-total	1,835,226,304	67.15	2,246,160,464	70.54	3,500,815,229	76.72
Mr. Sun (Note 2)	<u>96,110,510</u>	<u>3.52</u>	<u>136,752,350</u>	<u>4.29</u>	<u>260,839,085</u>	<u>5.72</u>
Public Shareholders	801,461,172	29.33	801,461,172	25.17	801,461,172	17.56
						(Note 3)
Total	<u>2,732,797,986</u>	<u>100.00</u>	<u>3,184,373,986</u>	<u>100.00</u>	<u>4,563,115,486</u>	<u>100.00</u>

Notes:

1. Wintime Company Limited is a company indirectly wholly-owned by Mr. Wei and Gang Rui is a company ultimately controlled by Mr. Wei, therefore Mr. Wei is deemed to be interested in 1,835,226,304 Shares immediately before the 1st Completion Date under the SFO and deemed to be interested in an aggregate of 2,246,160,464 Shares immediately upon the 1st Completion Date, representing approximately 70.54% of the entire issued share capital of the Company as enlarged by the allotment and issuance of the Consideration Shares.
2. Mr. Sun is an executive Director.

3. The above table is for illustrative purpose only and there are restrictions in the terms of the Convertible Bonds that no conversion is allowed if it would result (i) in the Vendors and/or the bondholder and/or the parties acting in concert with any of them and/or their respective associates being interested in 30% or more of the issued share capital of the Company (save in the case of the Vendor(s)) or such lower percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer obligation under Rule 26 of the Takeovers Code on the part of the bondholder which exercised the conversion rights; or (ii) in the public float of the Shares being less than 25% (or any given percentage as required by the Listing Rules) of the issued Shares of the Company.

By Order of the Board
GR Properties Limited
Wei Chunxian
Chairman

Hong Kong, 17 August 2018

As at the date of this announcement, the executive Directors are Mr. Wei Chunxian, Mr. Sun Zhongmin and Ms. Liu Shuhua; and the independent non-executive Directors are Mr. Tung Woon Cheung Eric, Ms. To Tsz Wan Vivien and Mr. Au Yeung Po Fung.