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GLORY 國瑞

GUORUI PROPERTIES LIMITED
國瑞置業有限公司

*(Incorporated in the Cayman Islands with limited liability
under the name of “Glory Land Company Limited(國瑞置業有限公司)”
and carrying on business in Hong Kong as “Guorui Properties Limited”)
(Stock Code: 2329)*

**DISCLOSEABLE AND CONNECTED TRANSACTION:
PROPOSED CAPITAL CONTRIBUTIONS
IN SEVEN REAL ESTATE PROJECT COMPANIES**

Reference is made to the announcement of the Company dated August 31, 2017 in relation to capital contributions/acquisition in the Target Companies by Garden Group, an indirect wholly-owned subsidiary of the Company. Upon completion of the abovementioned transactions, Garden Group directly holds 10% equity interest in each of the Target Companies as at the date of this announcement. For details, please refer to the announcement of the Company dated August 31, 2017.

With confidence in the potential development of the Target Companies, on April 27, 2018, the Company decided to increase its shareholding in the Target Companies, and signed seven Capital Contribution Agreements with the Target Companies and their existing shareholders, respectively, to (i) acquire 10% equity interest held by Garden Group in the Target Companies; (ii) make further capital contributions in the Target Companies; and (iii) cooperate in their real estate projects. Upon completion of the Capital Contribution Agreements, the financial results of each of the Target Companies will be consolidated into those of the Group.

The Target Companies are all companies controlled by Mr. Zhang Zhangqiao. Mr. Zhang Zhangqiao is the younger brother of Chairman Zhang. Therefore, pursuant to Chapter 14A of the Listing Rules, the Target Companies are all connected persons of the Company and the Capital Contribution Agreements and the transactions contemplated thereunder all constitute connected transactions of the Company.

The applicable highest percentage ratio with respect to the transactions under the Capital Contribution Agreements on an aggregation basis exceeds 5% but is less than 25%. Therefore, these transactions are connected transactions which are subject to the announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, and are discloseable transactions which are subject to the announcement requirement under Chapter 14 of the Listing Rules.

An Independent Board Committee consisting of all the independent non-executive Directors has been established to consider and advise the Independent Shareholders on the Capital Contribution Agreements and the transactions contemplated thereunder. VBG Capital has been engaged by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder.

A circular containing (i) further information on the Capital Contribution Agreements and the transactions contemplated thereunder; (ii) the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder; and (iii) the letter from VBG Capital to the Independent Board Committee and the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder is expected to be despatched to the Shareholders within 15 business days after publication of this announcement.

I. INTRODUCTION

Reference is made to the announcement of the Company dated August 31, 2017 in relation to capital contributions/acquisition in the Target Companies by Garden Group, an indirect wholly-owned subsidiary of the Company. Upon completion of the abovementioned transactions, Garden Group directly holds 10% equity interest in each of the Target Companies as at the date of this announcement. For details, please refer to the announcement of the Company dated August 31, 2017.

With confidence in the potential development of the Target Companies, on April 27, 2018, the Company decided to increase its shareholding in the Target Companies, and signed seven Capital Contribution Agreements with the Target Companies and their existing shareholders, respectively, to (i) acquire 10% equity interest held by Garden Group in the Target Companies; (ii) make further capital contributions in the Target Companies; and (iii) cooperate in their real estate projects. Upon completion of the Capital Contribution Agreements, the financial results of each of the Target Companies will be consolidated into those of the Group.

II. CAPITAL CONTRIBUTION AGREEMENTS

The principal terms of the Capital Contribution Agreements are substantially the same, which are summarized as below:

Date:

April 27, 2018

Parties:

(i) Capital Contribution Agreement I

the Company (as the new investor through the Designated Subsidiary);

Garden Group, Beijing Guoxing, Chongqing Longsha (as the existing shareholders);

Guangdong Hongtai Guotong (as the Target Company).

(ii) Capital Contribution Agreement II

the Company (as the new investor through the Designated Subsidiary);

Garden Group, Guangdong Hongtai Guotong (as the existing shareholders);

Guangdong Guosha (as the Target Company).

(iii) Capital Contribution Agreement III

the Company (as the new investor through the Designated Subsidiary);

Garden Group, Tianjin Guoxing (as the existing shareholders);

Tianjin Tianfu Rongsheng (as the Target Company).

(iv) Capital Contribution Agreement IV

the Company (as the new investor through the Designated Subsidiary);
Garden Group, Shantou Guosha (as the existing shareholders);
Sanya Jingheng (as the Target Company).

(v) Capital Contribution Agreement V

the Company (as the new investor through the Designated Subsidiary);
Garden Group, Shijiazhuang Guorui (as the existing shareholders);
Handan Guoxia (as the Target Company).

(vi) Capital Contribution Agreement VI

the Company (as the new investor through the Designated Subsidiary);
Garden Group, Chongqing Longsha (as the existing shareholders);
Chongqing Guosha (as the Target Company).

(vii) Capital Contribution Agreement VII

the Company (as the new investor through the Designated Subsidiary);
Garden Group, Heshan Tengyue, Shantou Guosha (as the existing shareholders);
Jiangmen Yinghuiwan (as the Target Company).

Share Transfer:

Garden Group will transfer all its equity interest (i.e. 10% equity interest) in each of the Target Companies to the Designated Subsidiary for a consideration which is equivalent to its original subscription / acquisition cost as set out in the announcement of the Company dated August 31, 2017 as follows (the “**Original Cost**”):

- (i) RMB67.02 million for 10% equity interest in Guangdong Hongtai Guotong under Capital Contribution Agreement I;
- (ii) RMB11.37 million for 10% equity interest in Guangdong Guosha under Capital Contribution Agreement II;

- (iii) RMB44.89 million for 10% equity interest in Tianjin Tianfu Rongsheng under Capital Contribution Agreement III;
- (iv) RMB67.13 million for 10% equity interest in Sanya Jingheng under Capital Contribution Agreement IV;
- (v) RMB31.43 million for 10% equity interest in Handan Guoxia under Capital Contribution Agreement V;
- (vi) RMB12.08 million for 10% equity interest in Chongqing Guosha under Capital Contribution Agreement VI; and
- (vii) RMB34.34 million for 10% equity interest in Jiangmen Yinghuiwan under Capital Contribution Agreement VII.

The consideration will be paid by the Designated Subsidiary to Garden Group in cash within 12 months after the Company determines the Designated Subsidiary. The Designated Subsidiary will be a wholly-owned subsidiary of the Company. Accordingly, such transactions constitute intra-group transactions of the Company.

Capital Contributions:

To subscribe for additional shareholding in the Target Companies, the Company will make further capital contributions in the Target Companies through the Designated Subsidiary as follows:

- (i) to contribute RMB366.98 million in Guangdong Hongtai Guotong under Capital Contribution Agreement I so as to hold 35% equity interest upon completion of the share transfer and capital contribution;
- (ii) to contribute RMB46.77 million in Guangdong Guosha under Capital Contribution Agreement II so as to hold 51% equity interest upon completion of the share transfer and capital contribution;
- (iii) to contribute RMB171.06 million in Tianjin Tianfu Rongsheng under Capital Contribution Agreement III so as to hold 35% equity interest upon completion of the share transfer and capital contribution;
- (iv) to contribute RMB253.82 million in Sanya Jingheng under Capital Contribution Agreement IV so as to hold 35% equity interest upon completion of the share transfer and capital contribution;

- (v) to contribute RMB87.22 million in Handan Guoxia under Capital Contribution Agreement V so as to hold 35% equity interest upon completion of the share transfer and capital contribution;
- (vi) to contribute RMB72.58 million in Chongqing Guosha under Capital Contribution Agreement VI so as to hold 51% equity interest upon completion of the share transfer and capital contribution; and
- (vii) to contribute RMB170.17 million in Jiangmen Yinghuiwan under Capital Contribution Agreement VII so as to hold 51% equity interest upon completion of the share transfer and capital contribution.

The capital contribution shall be paid by the Designated Subsidiary in cash within 12 months after the Designated Subsidiary is registered as the new shareholder of the Target Company.

For the avoidance of doubt, neither Mr. Zhang Zhangqiao nor the existing shareholders of the Target Companies (other than the Company) will make any further capital contribution in the Target Companies under the Capital Contribution Agreement. Accordingly, the indirect equity interest of Mr. Zhang Zhangqiao in the Target Companies will be diluted while the ultimate equity interest of the Company in the Target Companies will increase. For details, please refer to the shareholding structure of the Target Companies before and after the Capital Contribution Agreements as disclosed in the section headed “III. Information on the Target Companies” below.

Each of the capital contribution amount under the Capital Contribution Agreements was determined based on arm’s length negotiations among the parties with reference to (i) the Original Cost; (ii) the appraised market value of 10% equity interest of the Target Company (the “**10% Equity Valuation**”) conducted by Colliers International (Hong Kong) Ltd., a professional valuer independent of the Company and its connected persons; and (iii) the shareholding of the Group in the Target Company upon completion. The calculation formula is as follows:

Capital Contribution Amount = 10% Equity Valuation x 10 x the Group’s shareholding upon completion - Original Cost

The table below further illustrates the above calculation formula:

Target Company	The Original Cost (A) <i>(RMB' million)</i>	The 10% Equity Valuation (B) <i>(RMB' million)</i>	Total shareholding upon completion of the share transfer and capital contribution (C) <i>%</i>	Amount of Capital Contribution = (B)x10x(C)-(A) <i>(RMB' million)</i>
Guangdong Hongtai				
Guotong	67.02	124.00	35	366.98
Guangdong Guosha	11.37	11.40	51	46.77
Tianjin Tianfu				
Rongsheng	44.89	61.70	35	171.06
Sanya Jingheng	67.13	91.70	35	253.82
Handan Guoxia	31.43	33.90	35	87.22
Chongqing Guosha	12.08	16.60	51	72.58
Jiangmen Yinghuiwan	34.34	40.10	51	170.17

The valuation date of the 10% Equity Valuation is February 28, 2018. Such valuation was prepared by asset-based approach. A circular containing details of the valuation reports of 10% Equity Valuation (including the assumptions and basis) will be published in due course.

Corporate Governance:

The Designated Subsidiary is entitled to nominate two out of three directors at the board of the Target Company. Further, the CEO and CFO of the Target Company will be nominated by the Designated Subsidiary.

Project Cooperation:

The Designated Subsidiary will be in charge of the operation and management of the Target Company and its project development. The other shareholders of the Target Company will proactively cooperate with the Designated Subsidiary to promote and maintain the brand of “Guorui Properties”.

Condition:

The completion of the Capital Contribution Agreement is only conditional upon obtaining the approval by the Independent Shareholders in respect of the Capital Contribution Agreement. For the avoidance of doubt, the Capital Contribution Agreements are not inter-conditional to each other.

Save for the capital contributions and corporate governance under the Capital Contribution Agreement as set out above, the other agreed substantial commercial terms in the subscription and cooperation agreements dated August 31, 2017 remain unchanged. When 90% of the projects directly invested by these Target Companies are developed for delivery, the Company shall negotiate a divestment method with Mr. Zhang Zhangqiao. The Company will perform the relevant compliance procedures in accordance with the applicable Listing Rules in due course.

III. INFORMATION ON THE TARGET COMPANIES

Each of the Target Companies is a limited liability company established in the PRC and is principally engaged in real estate development business.

As at the date of this announcement, the Target Companies are primarily developing the following real estate projects:

(i) *Elegant Mansion* (藏瓏華府)

Guangdong Hongtai Guotong is principally engaged in the real estate developing of Elegant Mansion (藏瓏華府) and property management since its establishment in 2012. Elegant Mansion is a developing composite development located south of Weiye Avenue (偉業大道), Chencun Town (陳村鎮), Shunde District (順德區), Foshan. It comprises three neighbouring pieces of land, grouping an irregular-shaped land lot with a total site area of 202,610.67 sq m. According to the development plan, Elegant Mansion will be developed into high-rise residential, apartment, retail and underground car park with a total proposed gross floor area (GFA) of 745,807.11 sq m. As at the date of this announcement, it is under construction.

(ii) *Four Season Spring City* (四季泉城)

Guangdong Guosha is principally engaged in the real estate developing of Four Season Spring City (四季泉城) and property management since its establishment in 2017. Four Season Spring City is a developing residential community located at south of No.369 Provincial Road, Sanshan Village, Shengtang Town, Enping, Jiangmen. It comprises two neighbouring pieces

of land, grouping an irregular-shaped land lot with a total site area of 103,598.10 sq m. According to the development plan, Four Season Spring City will be developed into high-rise residential, retail, townhouse and underground car park with a total proposed GFA of 246,862.00 sq m. As at the date of this announcement, it is under preliminary construction.

(iii) *Brown Stone Town* (融泰城)

Tianjin Tianfu Rongsheng is principally engaged in the real estate developing of Brown Stone Town (融泰城) and property management since its establishment in 2013. Brown Stone Town is a developing residential community located No. 215 Xiuchuan Road (秀川路), Liqizhuang Street (李七莊街), Xiqing District (西青區), Tianjin. It comprises an irregular-shaped land lot with a total site area of 137,816.40 sq m. According to the development plan, Brown Stone Town will be developed in three phases and comprise high-rise residential, garden house and underground car park. Upon completion, Brown Stone Town will have a total proposed gross floor area (GFA) of 285,484.90 sq m. As at the date of this announcement, it is under construction.

(iv) *Glory Hongtang Bay* (國瑞•紅塘灣)

Sanya Jingheng is principally engaged in the real estate developing of Glory Hongtang Bay and property management since its establishment in 2016. Glory Hongtang Bay is a developing residential community located at Hongtangwan Tourism Resort (紅塘灣旅遊度假區), Tianya District, Sanya. It comprises five neighbouring pieces of land, grouping an irregular-shaped land lot with a total site area of 96,736.87 sq m. According to the development plan, Glory Hongtang Bay will be developed into mid-rise residential, apartment, townhouse and underground car park with a total proposed gross floor area (GFA) of 182,307.36 sq m. As at the date of this announcement, it is under construction.

(v) *Glory Pinnacle* (國瑞瑞城)

Handan Guoxia is principally engaged in the real estate developing of Glory Pinnacle since its establishment in 2016. Glory Pinnacle (國瑞瑞城) is a developing residential community located south of Lingyuan Road (陵園路) and west of Fuhe Avenue (滏河大街), Hanshan District (邯山區), Handan. It comprises four neighbouring pieces of land grouping an irregular-shaped land lot with a total site area of 161,735.80 sq m. According to the development plan, Glory Pinnacle will comprise high-rise residential,

apartment, shopping mall, retail podium, club house, underground car park and other facilities with a total proposed gross floor area (GFA) of 850,711.46 sq m. As at the date of this announcement, it is under construction.

(vi) *Elegant Villa* (書香溪墅)

Chongqing Guosha is principally engaged in the real estate development of Elegant Villa (書香溪墅) and property management since its establishment in 2013. Elegant Villa is a developing residential community located at Lot U10-1-1/02, U10-1-6/02 and U10-1-10/02, Xiyong Goup (西永組團), Shapingba District (沙坪壩區), Chongqing. It comprises three neighbouring pieces of land grouping an irregular-shaped land lot with a total site area of 205,947.00 sq m. According to the development plan, Elegant Villa will be developed into high-rise residential, garden house, townhouse and underground car park with a total proposed gross floor area (GFA) of 416,547.63 sq m. As at the date of this announcement, it is under construction.

(vii) *Lake Manor Villa* (山湖海)

Jiangmen Yinghuiwan is principally engaged in the real estate developing of Lake Manor Villa (山湖海) and property management since its establishment in 2009. Lake Manor Villa is a developing residential community located at Gonghe Ecological Park, Gonghe Avenue, Gonghe Town, Heshan, Jiangmen. It comprises twelve neighbouring pieces of land, grouping an irregular-shaped land lot with a total site area of 407,456.91 sq m. According to the development plan, Lake Manor Villa will be developed into high-rise residential, townhouse, retail and underground car park with a total proposed GFA of 729,640.01 sq m. As at the date of this announcement, it is under construction.

The Company has engaged a qualified independent valuer to prepare the property valuation reports pursuant to the Listing Rules. A circular containing details of the property valuation reports will be published in due course.

The table below sets forth the unaudited financial information of the Target Companies which were prepared in accordance with the PRC GAAP:

Unit: RMB

Target Company	Net asset as at December 31, 2017	Net profit (loss) before tax		Net profit (loss) after tax	
		for the year ended December 31, 2016	for the year ended December 31, 2017	for the year ended December 31, 2016	for the year ended December 31, 2017
Guangdong Hongtai Guotong	15,441,968.18	(65,656,079)	(50,265,542.29)	(78,328,126)	(50,265,542.29)
Guangdong Guosha*	(325,380.52)	—	(325,380.52)	—	(325,380.52)
Tianjin Tianfu Rongsheng	223,065,385.41	(68,257,952)	(28,744,752.14)	(68,257,952)	(43,168,651.54)
Sanya Jinheng	521,410,705.43	(2,480)	(11,486,178.52)	(2,480)	(11,486,345.08)
Handan Guoxia	63,112,273.65	(12,586,500)	(24,301,226.06)	(12,586,500)	(24,301,226.06)
Chongqing Guosha	(16,542,385.94)	(8,138,361)	(9,382,964.58)	(11,036,196)	(17,644,496.37)
Jiangmen Yinghuiwan	173,954,786.67	(345,075)	(4,323,939.19)	(345,075)	(4,323,939.19)

* *Guangdong Guosha was established in 2017.*

** *As elaborated above, the real estate projects of the Target Companies are still under development. Accordingly, the past two years recorded net loss.*

The table below illustrates the shareholding structure of the Target Companies as at the date of this announcement and immediately upon completion of the Capital Contribution Agreements:

Target Company	As at the date of this announcement	Upon completion of the Capital Contribution Agreements
Guangdong Hongtai Guotong	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Beijing Guoxing and Chongqing Longsha): 90%	the Company (through the Designated Subsidiary) : 35% Mr. Zhang Zhangqiao (through Beijing Guoxing and Chongqing Longsha): 65%
Guangdong Guosha	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Guangdong Hongtai Guotong): 90%	the Company (through the Designated Subsidiary) : 51% Mr. Zhang Zhangqiao (through Guangdong Hongtai Guotong): 49%
Tianjin Tianfu Rongsheng	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Tianjin Guoxing): 90%	the Company (through the Designated Subsidiary) : 35% Mr. Zhang Zhangqiao (through Tianjin Guoxing): 65%
Sanya Jinheng	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Shantou Guosha): 90%	the Company (through the Designated Subsidiary): 35% Mr. Zhang Zhangqiao (through Shantou Guosha): 65%

Target Company	As at the date of this announcement	Upon completion of the Capital Contribution Agreements
Handan Guoxia	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Shijiazhuang Guorui): 90%	the Company (through the Designated Subsidiary) : 35% Mr. Zhang Zhangqiao (through Shijiazhuang Guorui): 65%
Chongqing Guosha	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Chongqing Longsha): 90%	the Company (through the Designated Subsidiary) : 51% Mr. Zhang Zhangqiao (through Chongqing Longsha): 49%
Jiangmen Yinghuiwan	the Company (through Garden Group) : 10% Mr. Zhang Zhangqiao (through Heshan Tengyue and Shantou Guosha): 90%	the Company (through the Designated Subsidiary) : 51% Mr. Zhang Zhangqiao (through Heshan Tengyue and Shantou Guosha): 49%

Upon completion of the Capital Contribution Agreements, as the Company will ultimately control the majority of the board of the Target Companies, the financial results of each of the Target Companies will be consolidated into those of the Group.

IV. REASONS FOR AND BENEFITS OF THE TRANSACTIONS

As an integrated property developer, the Group is principally engaged in the property development business in cities such as Beijing, Haikou, Wanning and Langfang. As stated in the section headed “III. Information on the Target Companies”, the real estate projects that are being developed by the Target Companies are located in the cities where the Group has no real estate business. Upon completion of the Capital Contribution Agreements, the financial results of each of the Target Companies will be consolidated into those of the Group. The Company believes that, as a controlling shareholder in the Target Companies upon completion of the Capital Contribution Agreements, it can further explore potential development in such new cities. Further, the strategic cooperation between the Group and the Target Companies will help to boost the brand awareness of “Guorui Properties” in new cities and expand the urban layout and scale of the Company, which in turn will bring increased channels and opportunities for the Company to acquire land resources with high quality, making it more favorable for the Company to expand its urban layout and business scale.

In addition, since the completion of the previous subscription / acquisition of 10% equity interest in August 2017, the Group has been cooperating with the Target Companies very well. With deepening understanding in the Target

Companies, the Group has confidence over their potential development. Accordingly, the Company is willing to increase its shareholding in the Target Companies through the Capital Contribution Agreements. The Directors consider that the capital contributions to the Target Companies are strategically beneficial for the Group to further utilize its strengths and resources to expand its principal business. Further, as previously agreed by the parties, the Company will have a divestment arrangement upon 90% of the projects directly invested by these Target Companies are developed for delivery. It is expected that, with increased shareholding in the Target Companies, the Company will realize more returns under such divestment arrangement.

Taking into account the above factors, the Directors (including the independent non-executive Directors) are of the view that the terms of the Capital Contribution Agreements are determined after arm's length negotiation by the parties, and the transactions contemplated thereunder are conducted on normal commercial terms which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

V. INFORMATION ON THE PARTIES

The Company is principally engaged in property development and investment business in the PRC.

Garden Group is a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company as at the date of this announcement, which is mainly engaged in real estate operation business.

Each of Beijing Guoxing, Chongqing Longsha, Tianjin Guoxing, Shantou Guosha, Shijiazhuang Guorui and Heshan Tengyue is a limited liability company established in the PRC and is principally engaged in real estate development business. All of these companies are controlled by Mr. Zhang Zhangqiao.

Mr. Zhang Zhangqiao is the younger brother of Chairman Zhang. Chairman Zhang who is the controlling Shareholder, Chairman and president of the Company.

VI. LISTING RULES IMPLICATION

The Target Companies are all companies controlled by Mr. Zhang Zhangqiao. Mr. Zhang Zhangqiao is the younger brother of Chairman Zhang. Therefore, pursuant to Chapter 14A of the Listing Rules, the Target Companies are all connected persons of the Company and the Capital Contribution Agreements and the transactions contemplated thereunder all constitute connected transactions of the Company.

The applicable highest percentage ratio with respect to the transactions under the Capital Contribution Agreements on an aggregation basis exceeds 5% but is less than 25%. Therefore, these transactions are connected transactions which are subject to the announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, and are discloseable transactions which are subject to the announcement requirement under Chapter 14 of the Listing Rules.

Chairman Zhang, Ms. Ruan Wenjuan (spouse of Chairman Zhang) and Ms. Zhang Jin (daughter of Chairman Zhang) have abstained from voting on the relevant resolutions on approving the Capital Contribution Agreements at the board meeting in accordance with the requirements of the Listing Rules. Save as disclosed above, no other Directors are materially interested in the Capital Contribution Agreements or are required to abstain from voting at the board meeting.

Upon completion of the Capital Contribution Agreements, the Target Companies will become connected subsidiaries of the Company, and the transactions between the Target Companies and the Company will consist connected transactions of the Company under Chapter 14A of the Listing Rules accordingly. The Company will comply with the applicable Listing Rules when entering into transactions (if any) with the Target Companies in the future.

An Independent Board Committee consisting of all the independent non-executive Directors has been established to consider and advise the Independent Shareholders on the Capital Contribution Agreements and the transactions contemplated thereunder. VBG Capital has been engaged by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder.

A circular containing (i) further information on the Capital Contribution Agreements and the transactions contemplated thereunder; (ii) the recommendations from the Independent Board Committee to the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder; and (iii) the letter from VBG Capital to the Independent Board Committee and the Independent Shareholders in relation to the Capital Contribution Agreements and the transactions contemplated thereunder is expected to be despatched to the Shareholders within 15 business days after publication of this announcement.

VII. DEFINITIONS

In this announcement, the following expressions have the following meanings:

“Beijing Guoxing”	Beijing Guoxing Real Estate Limited* (北京國興地產有限公司), a limited liability company incorporated in the PRC
“Board”	the board of Directors of the Company
“Capital Contribution Agreement I”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Beijing Guoxing, Chongqing Longsha and Guangdong Hongtai Guotong
“Capital Contribution Agreement II”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Guangdong Hongtai Guotong and Guangdong Guosha
“Capital Contribution Agreement III”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Tianjin Guoxing and Tianjin Tianfu Rongsheng
“Capital Contribution Agreement IV”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Shantou Guosha and Sanya Jingheng
“Capital Contribution Agreement V”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Shijiazhuang Guorui and Handan Guoxia
“Capital Contribution Agreement VI”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Chongqing Longsha and Chongqing Guosha
“Capital Contribution Agreement VII”	the capital contribution agreement dated April 27, 2018 entered into among the Company, Garden Group, Heshan Tengyue, Shantou Guosha and Jiangmen Yinghuiwan
“Capital Contribution Agreements”	Capital Contribution Agreement I, Capital Contribution Agreement II, Capital Contribution Agreement III, Capital Contribution Agreement IV, Capital Contribution Agreement V, Capital Contribution Agreement VI and Capital Contribution Agreement VII

“Chairman Zhang”	Mr. Zhang Zhangsun (張章筭), the controlling Shareholder, Chairman of the Board and president of the Company
“Chongqing Guosha”	Chongqing Guosha Real Estate Development Co., Ltd.* (重慶國廈房地產開發有限公司), a limited liability company incorporated in the PRC
“Chongqing Longsha”	Chongqing Longsha Real Estate Development Co., Ltd.* (重慶龍廈房地產開發有限公司), a limited liability company incorporated in the PRC
“Company”	Guorui Properties Limited (國瑞置業有限公司), an exempted company with limited liability incorporated in the Cayman Islands under the name of “Glory Land Company Limited (國瑞置業有限公司)” and that carries on business in Hong Kong as “Guorui Properties Limited”
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Designated Subsidiary”	the subsidiary of the Company to be designated to hold the equity interest of the Target Companies, which shall be determined by the Company within three months upon signing of the Capital Contribution Agreements
“Director(s)”	director(s) of the Company
“Garden Group”	Shantou Garden Group Co., Ltd.* (汕頭花園集團有限公司), a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and subsidiaries of the Company
“Guangdong Guosha”	Guangdong Guosha Real Estate Co., Ltd.* (廣東國廈地產有限公司), a limited liability company incorporated in the PRC
“Guangdong Hongtai Guotong”	Guangdong Hongtai Guotong Real Estate Co., Ltd.* (廣東宏泰國通地產有限公司), a limited liability company incorporated in the PRC

“Handan Guoxia”	Handan Guoxia Real Estate Development Co., Ltd.* (邯鄲市國夏房地產開發有限公司), a limited liability company incorporated in the PRC
“Heshan Tengyue”	Heshan Tengyue Real Estate Development Co., Ltd.* (鶴山市騰悅房地產開發有限公司), a limited liability company incorporated in the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, the members of which consist of the independent non-executive Directors, formed to advise the Independent Shareholders with respect to the Capital Contribution Agreements and the transactions contemplated thereunder
“Independent Financial Adviser” or “VBG Capital”	VBG Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Capital Contribution Agreements and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting on the resolutions proposed at the general meeting for approving the Capital Contribution Agreements and the transactions contemplated thereunder
“Jiangmen Yinghuiwan”	Jiangmen Yinghuiwan Real Estate Co., Ltd.* (江門映暉灣房地產有限公司), a limited liability company incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“RMB”	Renminbi, the lawful currency of the PRC
“Sanya Jingheng”	Sanya Jingheng Properties Co., Ltd.* (三亞景恒置業有限公司), a limited liability company incorporated in the PRC
“Shantou Guosha”	Shantou Guosha Real Estate Co., Ltd.* (汕頭市國廈地產有限公司), a limited liability company incorporated in the PRC
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shijiazhuang Guorui”	Shijiazhuang Guorui Real Estate Development Co., Ltd.* (石家莊國瑞房地產開發有限公司), a limited liability company incorporated in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company(ies)”	Guangdong Hongtai Guotong, Guangdong Guosha, Tianjin Tianfu Rongsheng, Sanya Jingheng, Handan Guoxia, Chongqing Guosha and/or Jiangmen Yinghuiwan (as the case may be)
“Tianjin Guoxing”	Tianjin Guoxing Real Estate Co., Ltd.* (天津國興地產有限公司), a limited liability company incorporated in the PRC
“Tianjin Tianfu Rongsheng”	Tianjin Tianfu Rongsheng Real Estate Development Co., Ltd.* (天津天富融盛房地產開發有限公司), a limited liability company incorporated in the PRC
“%”	percentage

By order of the Board
Guorui Properties Limited
Zhang Zhangsun
Chairman

PRC, April 27, 2018

As at the date of this announcement, the board of directors of the Company comprises Mr. Zhang Zhangsun, Mr. Ge Weiguang, Ms. Ruan Wenjuan and Ms. Zhang Jin as executive Directors and Mr. Luo Zhenbang, Mr. Lai Siming and Ms. Chen Jingru as independent non-executive Directors.

* For identification purpose only