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Logan Property Holdings Company Limited
龍光地產控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3380)

(Stock code: 5851)

(Stock code: 5758)

(Stock code: 5605)

**ANNOUNCEMENT PURSUANT TO RULE 3.7
OF THE TAKEOVERS CODE,
RULE 13.09 OF THE LISTING RULES AND
PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE**

RESUMPTION OF TRADING

THE POSSIBLE SHARE TRANSFER

Mr. Kei informed the Board on 30 May 2016 that he was in negotiations with A-Share Company with respect to the Possible Asset Restructuring and the Possible Share Transfer. The Possible Share Transfer involves a proposed transfer by Mr. Kei and his concert parties to A-Share Company of Shares which carry not less than 30% voting rights in the Company.

Completion of the Possible Share Transfer is conditional upon approval of the Possible Share Transfer by the shareholders of A-Share Company and completion of the Possible Asset Restructuring. The Possible Asset Restructuring involves transactions under which (i) the single largest shareholder of A-Share Company will transfer to companies controlled by Mr. Kei all of its shares in A-Share Company representing 22.34% of the shares of A-Share Company in issue and such single largest shareholder will purchase all of the existing businesses of A-Share Company, and (ii) companies controlled by Mr. Kei will inject assets into A-Share Company in exchange for new shares and raise their shareholding percentage in A-Share Company to more than 50%.

IMPLICATIONS UNDER THE TAKEOVERS CODE

The family trust of Mr. Kei holds 4,250,000,000 Shares representing 76.58% of the Company's issued share capital, and he beneficially owns another 13,120,000 Shares representing 0.24% of the Company's issued share capital (an aggregate of 4,263,120,000 Shares representing 76.82% of the Company's issued share capital). Ms. Kei Perenna Hoi Ting, his daughter, holds another 2,050,000 Shares representing 0.04% of the Company's issued share capital.

Upon completion of the Possible Share Transfer, A-Share Company will be controlled by Mr. Kei and hold more than 30% of the voting rights in the Company. Under Rule 26.1 of the Takeovers Code, an obligation to make a mandatory general offer to the Shareholders for all the issued Shares not already owned or agreed to be acquired would arise. Mr. Kei will make a general offer in accordance with such obligation.

WARNING

No binding agreements with regard to the Possible Share Transfer or the Possible Asset Restructuring have yet been signed. There is no assurance that the Possible Share Transfer will materialize or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of Takeovers Code. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and if they are in any doubt about their position, they should consult their professional adviser(s).

RESUMPTION OF TRADING IN THE SHARES AND DEBT SECURITIES OF THE COMPANY

At the request of the Company, trading in the Shares and debt securities of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 1 June 2016 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares and debt securities of the Company on the Stock Exchange with effect from 9:00 a.m. on 2 June 2016.

This announcement is made by the Company pursuant to Rule 3.7 of the Takeovers Code, Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE POSSIBLE SHARE TRANSFER

Mr. Kei informed the Board on 30 May 2016 that he was in negotiations with A-Share Company with respect to the Possible Asset Restructuring and the Possible Share Transfer. The Possible Share Transfer involves a proposed transfer by Mr. Kei and his concert parties to A-Share Company of Shares which carry not less than 30% voting rights in the Company.

Completion of the Possible Share Transfer is conditional upon approval of the Possible Share Transfer by the shareholders of A-Share Company and completion of the Possible Asset Restructuring. The Possible Asset Restructuring involves transactions under which (i) the single largest shareholder of A-Share Company will transfer to companies controlled by Mr. Kei all of its shares in A-Share Company representing 22.34% of the shares of A-Share Company and such single largest shareholder will purchase all of the existing businesses of A-Share Company, and (ii) companies controlled by Mr. Kei will inject assets into A-Share Company in exchange for new shares and raise their shareholding percentage in A-Share Company to more than 50%. Completion of the Possible Asset Restructuring is conditional upon approval by the shareholders of A-Share Company and the China Securities Regulatory Commission.

At this time, no binding agreements with regard to the Possible Share Transfer or the Possible Asset Restructuring have yet been signed. A framework agreement made on 31 May 2016 provides for the parties to carry out further work in respect of due diligence and valuation to permit a transaction structure to be settled and thereafter definitive agreements to be signed by 30 September 2016.

IMPLICATIONS UNDER THE TAKEOVERS CODE

As at the date of this announcement, the Company has outstanding 5,549,708,000 Shares. 24,569,000 stock options are outstanding under a scheme adopted on 18 November 2013 exercisable into 24,569,000 new Shares. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date hereof.

The family trust of Mr. Kei holds 4,250,000,000 Shares representing 76.58% of the Company's issued share capital, and he beneficially owns another 13,120,000 Shares representing 0.24% of the Company's issued share capital (an aggregate of 4,263,120,000 Shares representing 76.82% of the Company's issued share capital). Ms. Kei Perenna Hoi Ting, his daughter, holds another 2,050,000 Shares representing 0.04% of the Company's issued share capital.

Upon completion of the Possible Share Transfer, A-Share Company will be controlled by Mr. Kei and hold more than 30% of the voting rights in the Company. Under Rule 26.1 of the Takeovers Code, an obligation to make a mandatory general offer to the Shareholders for all the issued Shares not already owned or agreed to be acquired would arise. Mr. Kei will make a general offer in accordance with such obligation.

Under Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible Share Transfer will continue to be made until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with the possible share transfer.

WARNING

No binding agreements with regard to the Possible Share Transfer or the Possible Asset Restructuring have yet been signed. There is no assurance that the Possible Share Transfer will materialize or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of Takeovers Code. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and if they are in any doubt about their position, they should consult their professional adviser(s).

RESUMPTION OF TRADING IN THE SHARES AND DEBT SECURITIES OF THE COMPANY

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DEALING DISCLOSURE

As required under Rule 3.8 of the Takeovers Code, associates (as defined in the Takeovers Code) of the Company (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code)) and Mr. Kei are hereby reminded to disclose their dealings in any securities of the Company pursuant to the requirements of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DEFINITION

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

“A-Share Company”	China Jialing Industrial Co., Ltd. (中國嘉陵工業股份有限公司(集團)), an enterprise established under the laws of the PRC, whose shares are listed on the Shanghai Stock Exchange under Stock code 600877
“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Board”	the board of directors of the Company
“Company”	Logan Property Holdings Co. Ltd., a company incorporated in the Cayman Islands with limited liability, whose issued Shares are listed on the Main Board of the Stock Exchange (Stock code: 3380)
“Hong Kong”	the Special Administrative Region of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Kei”	Mr. Kei Hoi Pang, an executive director and the chairman of the Board, who is interested in 76.71% of the Shares in issue
“Party A”	China South Industry Group Corporation (中國南方工業集團公司), an enterprise established under the laws of the PRC
“Party B”	Logan Foundation Group Company Limited (龍光基業集團有限公司), an enterprise established under the laws of the PRC and owned as to 47% by Mr. Kei, as to 17.5% by his spouse, and as to 35.5% by his close relatives
“Possible Asset Restructuring”	the proposed asset restructuring of A-Share Company comprising the following transactions: <ol style="list-style-type: none">(1) the proposed transfer by Party A to Party B of all its shares in A-Share Company comprising 22.34% of the shares of A-Share Company in issue;(2) the proposed transfer by A-Share Company to Party A of all the existing business, assets and liabilities of A-Share Company; and

- (3) the proposed transfer by Mr. Kei and companies controlled by him to A-Share Company of certain infrastructure projects, hotel projects, commercial properties and car parks in exchange for new shares of A-Share Company issued to them as consideration shares which is expected will raise their shareholding in A-Share Company to more than 50%

“Possible Share Transfer”	the proposed transfer of Shares carrying not less than 30% voting rights in the Company by Mr. Kei and his concert parties to A-Share Company
“PRC”	the People’s Republic of China not including for this purpose Hong Kong, the Special Administrative Region of Macau or Taiwan
“Share(s)”	share of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

By order of the Board
Logan Property Holdings Co. Ltd.
Kei Hoi Pang
Chairman

Hong Kong, 1 June 2016

As at the date of this announcement, the executive directors of the Company are Mr. Kei Hoi Pang, Mr. Ji Jiande, Mr. Xiao Xu and Mr. Lai Zhuobin; the non-executive director of the Company is Ms. Kei Perenna Hoi Ting; and the independent non-executive directors of the Company are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca and Mr. Cai Suisheng.

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.