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*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 21)**

**SUPPLEMENTAL PLACING AGREEMENT  
IN RELATION TO  
PLACING OF NEW SHARES UNDER GENERAL MANDATE  
AND RESUMPTION OF TRADING**

**Placing Agent**



**SUPPLEMENTAL PLACING AGREEMENT**

Reference is made to the announcement of the Company dated 19 July 2019 in relation to the placing of new shares under general mandate (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

The Company and the Placing Agent entered into a supplemental placing agreement on 22 July 2019 (the “**Supplemental Placing Agreement**”), pursuant to which, the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis to not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 662,539,000 Placing Shares at the new Placing Price of HK\$0.122 per Placing Share (the “**New Placing Price**”).

The New Placing Price of HK\$0.122 per Placing Share represents: (i) a discount of approximately 18.67% to the closing price of HK\$0.150 per Share as quoted on the Stock Exchange on the date of the Supplemental Placing Agreement; and (ii) a discount of approximately 19.74% to the average closing price of HK\$0.152 per Share

as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Supplemental Placing Agreement.

The maximum of 662,539,000 Placing Shares represent (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$80.8 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are estimated to be approximately HK\$77.6 million. The net proceeds from the Placing are intended to be used as the general working capital, for any possible business development or investment of the Group when appropriate opportunities arise and for settlement of Shareholders' loan.

### **TRADING RESUMPTION**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 22 July 2019 pending release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 23 July 2019.

**Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.**

Reference is made to the Announcement. The Company and the Placing Agent entered into the Supplemental Placing Agreement on 22 July 2019, pursuant to which, the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis to not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 662,539,000 Placing Shares at the New Placing Price of HK\$0.122 per Placing Share.

### **SUPPLEMENTAL PLACING AGREEMENT**

#### **Date**

22 July 2019 (after trading hour)

## **Parties**

- (i) the Company; and
- (ii) the Placing Agent

Pursuant to the Supplemental Placing Agreement, it is agreed that the definition of the “Placing Price” shall be revised to the price of HK\$0.122 per Placing Share. Save as disclosed above, there are no other material changes to the Placing Agreement and all other terms and conditions of the Placing Agreement (as amended, varied and supplemented by the Supplemental Agreement) remain in full force and effect.

The Board considers that the amendments made in the Supplemental Placing Agreement are in compliance with the Listing Rules and are appropriate given the circumstances and would be in the interests of the Company and the Shareholders as a whole.

## **Number of Placing Shares**

The maximum of 662,539,000 Placing Shares represent (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares (assuming the maximum number of the Placing Shares are placed).

## **Ranking of Placing Shares**

The Placing Shares, when issued and fully paid up, will rank pari passu in all respects with other Shares in issue as at the date of allotment and issue of the Placing Shares.

## **New Placing Price**

The New Placing Price is HK\$0.122 per Placing Share, which represents:

- (i) a discount of approximately 18.67% to the closing price of HK\$0.150 per Share as quoted on the Stock Exchange on the date of the Supplemental Placing Agreement; and
- (ii) a discount of approximately 19.74% to the average closing price of HK\$0.152 per Share as quoted on the Stock Exchange for the last five trading days immediately preceding the date of the Supplemental Placing Agreement.

The New Placing Price was arrived at, after arm’s length negotiation between the Company and the Placing Agent with reference to the recent trading price of the Shares on the Stock Exchange. The Directors (including the independent non-executive Directors) consider that the New Placing Price are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Company is an investment holding company. The Group is principally engaged in property development and investment, securities advisory and asset management. In view of the current market conditions, the Company intends to strengthen its financial position through the Placing, which will enable the Company to broaden its capital base so as to facilitate its business operations and future development. As such, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be approximately HK\$80.8 million. The net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are estimated to be approximately HK\$77.6 million, representing a net issue price of approximately HK\$0.117 per Placing Share. The Company intends to apply the net proceeds (i) to expand its securities advisory and asset management business; (ii) as the general working capital; (iii) for any possible business development and investment of the Group when appropriate opportunities arise; and (iv) for settlement of Shareholders' loan.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY**

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon Completion (assuming the maximum number of the Placing Shares is placed and there is no other change in the shareholding structure of the Company before the allotment and issue of the Placing Shares under the Placing) are set out as below:

	<b>As at the date of this announcement</b>		<b>Immediately after Completion (assuming all Placing Shares have been placed)</b>	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<b>Shareholders</b>				
Mr. Huang Shih Tsai <i>(Note 1)</i>	1,848,162,476	55.79	1,848,162,476	46.49
Ms. Huang Wenxi <i>(Note 2)</i>	353,667,996	10.68	353,667,996	8.90
Brilliant China Group Limited <i>(Note 3)</i>	282,133,413	8.52	282,133,413	7.10
Sub-total	2,483,963,885	74.98	2,483,963,885	62.49
<b>Other Public Shareholders</b>				
Placees	–	–	662,539,000	16.67
Other public Shareholders	828,734,521	25.02	828,734,521	20.85
	<u>3,312,698,406</u>	<u>100.00</u>	<u>3,975,237,406</u>	<u>100.00</u>

*Notes:*

1. Mr. Huang Shih Tsai is the executive Director and chairman of the Company. Mr. Huang Shih Tsai is father of Ms. Huang Wenxi.
2. Ms. Huang Wenxi is the executive Director and chief executive officer of the Company. Ms. Huang Wenxi is daughter of Mr. Haung Shih Tsai.
3. Brilliant China Group Limited is wholly-owned by Ms. Huang Wenxi. Ms. Huang Wenxi is the sole director of Brilliant China Group Limited.

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**Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.**

By Order of the Board  
**Great China Properties Holdings Limited**  
**Huang Shih Tsai**  
*Chairman*

Hong Kong, 22 July 2019

*As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Huang Shih Tsai (Chairman) and Ms. Huang Wenxi (Chief Executive Officer), three Independent Non-executive Directors, namely Mr. Cheng Hong Kei, Mr. Leung Kwan, Hermann and Mr. Lum Pak Sum.*

*Please also refer to the published version of this announcement on the Company's website <http://www.greatchinaproperties.com>.*