

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CSI PROPERTIES LIMITED

資本策略地產有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 497)

RELEVANT ADVANCE TO AN ENTITY

The Company makes this announcement in relation to the Relevant Advance by the Group for Southwater Group pursuant to Rule 13.14 of the Listing Rules.

THE RELEVANT ADVANCE

The Company refers to its previous announcement issued on 23 March 2018 (the “Previous Announcement”) pursuant to Rule 13.13 of the Listing Rules. Unless otherwise stated, capitalized terms in this announcement have the same meanings ascribed to them in the Previous Announcement.

As announced in the Previous Announcement, the Group had provided the Relevant Advance of approximately HK\$3,850 million to Southwater Group. To date, the amount of the Relevant Advance provided by the Group has increased by approximately HK\$875 million to approximately HK\$4,725 million. The increase is primarily attributed to a several guarantee (“Guarantee”) given by the Company in favour of the relevant banks in respect of the relevant term loan facilities provided to Southwater. The proceeds are primarily intended to refinance Southwater’s existing bank loans and finance/refinance part of the costs of construction of Southwater Group’s property development project at Gage Street/Graham Street in Hong Kong. The liability of the Company under the Guarantee is limited to the Group’s percentage shareholding, being 35%, in Southwater. The remaining balance of approximately HK\$2,310 million of the Relevant Advance is attributed to the shareholder’s loan contributed by the Group to Southwater Group. The shareholder’s loan is unsecured and interest free, and has no fixed repayment term. Apart from the Guarantee, no collateral is provided by the Group in respect of the Relevant Advance to Southwater Group.

GENERAL

The Company is an investment holding company and is primarily engaged in property development, repositioning and investment and securities investment.

Southwater Group is formed for the single purpose of engaging in its property development project mentioned above, which is of revenue nature and in the ordinary and usual course of business of the Group.

The Company makes this announcement pursuant to Rule 13.14 of the Listing Rules as the amount of the Relevant Advance disclosed in the Previous Announcement has increased by 3% or more under the asset ratio calculated in accordance with Chapter 14 of the Listing Rules. The Company will observe the continuing disclosure requirements obligations in respect of the Relevant Advance under Rule 13.20 of the Listing Rules where applicable.

By order of the Board
CSI PROPERTIES LIMITED
Chan Suet Kwan
Company Secretary

Hong Kong, 1 June 2018

As at the date of this announcement, Mr. Chung Cho Yee, Mico (Chairman), Mr. Kan Sze Man, Mr. Chow Hou Man and Mr. Fong Man Bun, Jimmy are the executive directors of the Company; and Dr. Lam Lee G., Mr. Cheng Yuk Wo and Dr. Lo Wing Yan, William are the independent non-executive directors of the Company.

* *For identification purpose only*