

Stock Code: 600383 SH

Stock Abbreviation: GEMDALE CORPORATION

Announcement No.: 2019-009

Bond Code: 136325

Bond Abbreviation: 16 Gemdale 01

**GEMDALE CORPORATION**  
**ANNOUNCEMENT ON THE ADJUSTMENT OF COUPON RATE OF THE**  
**CORPORATE BOND “16 GEMDALE 01”**

**Special Note**

**The Board of Directors of the Company and all its directors hereby warrant that there are no false representations, misleading statements or material omission in this announcement, and they individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of the contents contained herein.**

Important Notes:

- Applicable interest rate before adjustment: 3.00%
- Extent of adjustment: 135bp
- Applicable interest rate after adjustment: 4.35%
- Value date: 22 March, 2019

In accordance with the agreements in the Prospectus for Corporate Bonds of Gemdale Corporation in 2016 (First Tranche) (hereinafter the “Prospectus”) announced by Gemdale Corporation (hereinafter the “Company” or the “Issuer”), the Issuer shall have the right to determine whether or not to raise the coupon rate of corporate bonds of Gemdale Corporation in 2016 (first tranche) (category I) (bond abbreviation: 16 Gemdale 01, bond code: 136325, hereinafter the “Current Bond”) for the subsequent three years at the end of the third year of duration of the Current Bond. The coupon rate of the Current Bond is 3.00%, which is fixed over three years of the bond duration. At the end of the third year of duration of the Current Bond, taking into account the prevailing market environment, the Issuer opts to raise the coupon rate, that is, the coupon rate for the subsequent three interest-bearing years is adjusted

to 4.35%.

Specific measures for implementing the sell-back of corporate bonds for the period are detailed in the Announcement of Gemdale Corporation on Measures for the Implementation of Investor Sell-back for the Corporate Bond “16 Gemdale 01” (Announcement No.: 2019-008). To ensure smooth workflow in relation to the option for the Issuer to adjust the coupon rate, the following relevant matters are announced:

**I. General Information of the Current Bond**

1. Name of the bond: Corporate Bonds of Gemdale Corporation in 2016 (First Tranche) (Category I)
2. Bond abbreviation and code: 16 Gemdale 01 (136325)
3. Issuer: Gemdale Corporation
4. Bond duration: A six-year period for the Current Bond, attached with the option for the Issuer to raise the coupon rate and the option for investors to sell back at the end of the third year.
5. Issue size: RMB1.3 billion
6. Bond interest rate: The coupon rate of the Current Bond is 3.00%, which is fixed over the first three years of the bond duration. At the end of the third year of duration, the Company may opt to raise the coupon rate. The coupon rate for the second three years of the duration shall be the coupon rate for the first three years of duration of the Current Bond plus the basis points raised by the Company, which shall remain unchanged over the second three years of the duration. The coupon rate of the Current Bond shall be simple-interest-bearing on a per-year basis, excluding compound interests.
7. Option for investors to sell back: After the Issuer has given notice on whether or not to raise the coupon rate of the Current Bond and the extent of the increase, investors shall have the option to register the sell-back of all or part the Current Bond held to the Issuer at par value within the sell-back filing period as announced. In case of failure to register, the bond holder shall be deemed to continue to hold the Current Bond and accept the aforementioned adjustment.
8. Option for the Issuer to raise the coupon rate: The Issuer shall have the right to

determine whether or not to raise the coupon rate of the Current Bond for the subsequent three years at the end of the third year of duration of the Current Bond. The Issuer shall publish an announcement on whether or not to raise the coupon rate of the Current Bond and the extent of the increase on the 20th working day prior to the interest payment date in the third interest-bearing year of the Current Bond. If the Issuer fails to exercise the option to raise the interest rate, the original coupon rate shall remain unchanged in the subsequent duration of the Current Bond.

9. Interest payment date: The interest payment date of the Current Bond shall be 22 March of each year during the period from 2017 to 2022, which is the interest payment date in the preceding interest-bearing year. If the bond holder exercises the option to sell back, the interest payment date for the bonds sold back shall be 22 March of each year during the period from 2017 to 2019. If the date is a statutory holiday or a rest day, it shall be postponed to the first working day thereafter. Interests shall not be calculated for the interest payment during the extended period.
10. Redemption date: The redemption date of the Current Bond shall be 22 March, 2022. If the bond holder exercises the option to sell back, the interest payment date for the bonds sold back shall be 22 March, 2019. If the date is a statutory holiday or a rest day, it shall be postponed to the first working day thereafter. Interests shall not be calculated for the interest payment during the extended period.
11. Credit rating: The corporate credit rating of the Issuer is AAA, and the credit rating of the Current Bond is AAA.
12. Time and place of listing: The Current Bond was listed on the Shanghai Stock Exchange on 20 April, 2016.
13. Lead underwriter and bond trustee: China International Capital Corporation Limited
14. Institution for registration, custody, entrusted distribution of bond dividends and redemption: Shanghai Branch of China Securities Depository and Clearing Corporation Limited (hereinafter "CSDC Shanghai Branch")

## **II. Adjustment to the Interest Rate of the Current Bond**

In accordance with the option for the Issuer to adjust the coupon rate set in the

Prospectus, the Company shall have the right to determine whether or not to adjust the coupon rate of the Current Bond for the subsequent three years at the end of the third year of duration of the Current Bond. In the first three years of duration of the Current Bond (from 22 March, 2016 to 21 March, 2019), the coupon rate is 3.00%. At the end of the third year of duration of the Current Bond, the Company opts to raise the coupon rate of the Current Bond, that is, the coupon rate of the Current Bond for the second three years of duration of the Current Bond (from 22 March, 2019 to 21 March, 2022) is 4.35%, and that it will be fixed over the latter three years of the duration. The coupon rate of the Current Bond shall be simple-interest-bearing on a per-year basis, excluding compound interests.

### **III. Institutions Relating to the Sell-back of the Current Bond**

1. Issuer: Gemdale Corporation

Address: Gemdale Commercial Building, Fuqiang Road, Futian District, Shenzhen, Guangdong Province

Contact person: Zhang Xiaoyu, Tang Yan, Xu Jia

Tel: 0755-82039509, 0755-82039513

Fax: 0755-82039900

2. Lead underwriter: China International Capital Corporation Limited

Address: 27th Floor, China World Office 2, 1 Jianguomenwai Avenue, Beijing

Contact person: Yan Wendong, Liu Jingjing

Contact number: 010-65051166

Postal code: 100004

3. Custodian: Shanghai Branch of China Securities Depository and Clearing Corporation Limited

Address: China Insurance Building, 166 Lujiazui East Road, Shanghai

Telephone: 021-3887 4800

Postal code: 200120

Gemdale Corporation

20 February, 2019