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**港龍中國地產**  
GANGLONG CHINA PROPERTY

**Ganglong China Property Group Limited**

**港龍中國地產集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6968)**

## **ISSUANCE OF US\$150 MILLION 13.5% SENIOR NOTES DUE 2021**

Reference is made to the announcement of the Company dated 25 November 2020 in respect of the proposed Notes Issue.

On 25 November 2020, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Guotai Junan International, CMB International, Seazen Resources, China Vered Financial, Glory Sun Financial, HeungKong Financial and Huajin Securities (International) Limited in connection with the Notes Issue.

**MiFID II professionals/ECPs-only/No PRIIPs KID** – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA or the United Kingdom.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any), the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any).

Reference is made to the announcement of the Company dated 25 November 2020 in respect of the proposed Notes Issue. On 25 November 2020, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with Guotai Junan International, CMB International, Seazen Resources, China Vered Financial, Glory Sun Financial, HeungKong Financial and Huajin Securities (International) Limited in connection with the Notes Issue.

## **THE PURCHASE AGREEMENT**

Date: 25 November 2020

### **Parties to the Purchase Agreement**

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) Guotai Junan International;
- (d) CMB International;
- (e) Seazen Resources;
- (f) China Vered Financial;
- (g) Glory Sun Financial;
- (h) HeungKong Financial; and
- (i) Huajin Securities (International) Limited.

Guotai Junan International and CMB International are the joint global coordinators, which are, together with Seazen Resources, China Vered Financial, Glory Sun Financial, HeungKong Financial and Huajin Securities (International) Limited, the joint bookrunners and joint lead managers, in respect of the offer and sale of the Notes, as well as the initial purchasers of the Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Guotai Junan International, CMB International, Seazen Resources, China Vered Financial, Glory Sun Financial, HeungKong Financial and Huajin Securities (International) Limited is an independent third party and not a connected person of the Company and its connected persons.

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The Notes have not been, and will not be, registered under the Securities Act. The Notes will only be offered outside the United States in offshore transactions in compliance with Regulation S under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Notes will be offered to the public in Hong Kong.

### **Principal terms of the Notes**

The following is a summary of certain provisions of the Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Notes, the guarantees provided by the Subsidiary Guarantors, and the JV Subsidiary Guarantors, if any.

#### ***Notes Offered***

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate principal amount of US\$150 million. The Notes will mature on 1 December 2021, unless earlier redeemed in accordance with the terms thereof.

#### ***Interest***

The Notes will bear interest from and including 2 December 2020 at a rate of 13.5% per annum, payable in arrear on 2 June 2021 and 1 December 2021.

#### ***Ranking of the Notes***

The Notes are (1) general obligations of the Company; (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (3) at least pari passu in right of payment with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations; (5) effectively subordinated to the secured obligations (if any) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) to the extent of the value of the assets serving as security therefor; and (6) effectively subordinated to all existing and future obligations of the subsidiaries of the Company which are not Subsidiary Guarantors or JV Subsidiary Guarantors (if any).

#### ***Events of default***

The Notes contain certain customary events of default, including default in the payment of principal of, or of any premium on, the Notes, when such payments become due, default in payment of interest which continues for a period of 30 consecutive days, breaches of covenants, insolvency and other events of default specified in the Indenture. If an event of default occurs and is continuing, the trustee under the Indenture, as the case may be, or the holders of at least 25% in aggregate principal amount of the Notes then outstanding may declare the principal of the Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

## ***Covenants***

The Notes and the Indenture will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur additional indebtedness and issue disqualified or preferred stock;
- (b) make investments, dividend payments or other specified restricted payments;
- (c) issue or sell capital stock of certain of its subsidiaries;
- (d) guarantee indebtedness of certain of its subsidiaries;
- (e) sell assets;
- (f) create liens;
- (g) enter into sale and leaseback transactions;
- (h) engage in any business other than permitted business;
- (i) enter into agreements that restrict certain of its subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

## ***Optional Redemption***

The Notes may be redeemed in the following circumstances:

- (1) At any time prior to 1 December 2021, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest (if any) to (but not including), the redemption date.
- (2) At any time and from time to time prior to 1 December 2021, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 113.5% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, subject to certain conditions.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

### ***Redemption for Taxation Reasons***

Subject to certain exceptions, the Company may redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest (including any additional amounts), if any, to the date fixed by the Company for redemption, if the Company, a Subsidiary Guarantor or a JV Subsidiary Guarantor (if any) would become obligated to pay certain additional amounts as a result of certain changes in specified tax laws.

### **Reasons for the Notes Issue**

The Company intends to use the net proceeds of the Notes Issue for refinancing and general corporate/working capital purpose. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the net proceeds.

### **Listing**

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any), the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any).

### **DEFINITIONS**

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

“Board”	the board of Directors
“China Vered Financial”	China Vered Securities Limited
“CMB International”	CMB International Capital Limited
“Company”	Ganglong China Property Group Limited, an exempted company incorporated under the laws of Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6968)
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“EEA”	the European Economic Area

“Glory Sun Financial”	Glory Sun Securities Limited
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“HeungKong Financial”	HeungKong Securities Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huajin Securities (International) Limited”	Huajin Securities (International) Limited
“Indenture”	the written agreement entered into between the Company, the Subsidiary Guarantors as guarantors and China Construction Bank (Asia) Corporation Limited as trustee, that specifies the terms and conditions of the Notes including the covenants, events of default, interest rate of the Notes and the maturity date
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the Notes
“JV Subsidiary Guarantors”	certain subsidiaries of the Company, other than the Subsidiary Guarantors, that guarantee the Company’s obligations under the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	the US\$150 million 13.5% senior notes due 2021 to be issued by the Company
“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region and Taiwan for the purpose of this announcement
“PRIIPs”	Packages retail investment and insurance products (as defined by Regulation (EU) No 1286/2014, as amended)

“Purchase Agreement”	the agreement dated 25 November 2020 entered into by and among Guotai Junan International, CMB International, Seazen Resources, China Vered Financial, Glory Sun Financial, HeungKong Financial, Huajin Securities (International) Limited, the Company and the Subsidiary Guarantors in relation to the Notes Issue
“Seazen Resources”	Seazen Resources Securities Limited
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	guarantees for the Notes to be provided by the Subsidiary Guarantors
“Subsidiary Guarantors”	certain existing non-PRC subsidiaries of the Company that on the issue date of the Notes will provide guarantees for the Notes
“United States”	the United States of America
“U.S. Dollars” or “US\$”	United States dollar(s), the lawful currency of the United States
“%”	per cent

By Order of the Board  
**Ganglong China Property Group Limited**  
**Lui Wing Wai**  
*Chairman and executive Director*

26 November 2020

*As of the date of this announcement, the executive directors of the Company are Mr. Lui Wing Wai (Chairman), Mr. Lui Jin Ling, and Mr. Lui Chi Chung Jimmy. The non-executive directors of the Company are Mr. Lui Wing Mau and Mr. Lui Wing Nam. The independent non-executive directors of the Company are Mr. Wan Ho Yin, Mr. Guo Shaomu, and Ms. Tang Lo Nar.*