

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.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein will not be registered under the Securities Act, and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.

*The communication of this announcement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this announcement or any of its contents.*



REDCO PROPERTIES GROUP LIMITED

力高地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1622)

**ISSUANCE OF ADDITIONAL US\$100.8 MILLION
11.0% SENIOR NOTES DUE 2022
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES
WITH THE US\$220 MILLION 11.0%
SENIOR NOTES DUE 2022)**

References are made to the announcements of the Company dated 30 July 2020, 31 July 2020 and 7 August 2020 and in respect of the issuance of the Original Notes by the Company and the announcement dated 19 July 2021 in respect of the proposed Additional Notes Issue.

On 19 July 2021, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with Credit Suisse and Standard Chartered Bank in connection with the Additional Notes Issue.

THE PURCHASE AGREEMENT

Date

19 July 2021

Parties to the Purchase Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) Credit Suisse; and
- (d) Standard Chartered Bank.

Credit Suisse and Standard Chartered Bank will be the joint global coordinators, joint bookrunners, joint lead managers and joint sustainability structuring agents in respect of the offer and sale of the Additional Notes. Credit Suisse and Standard Chartered Bank are also the initial purchasers of the Additional Notes.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Credit Suisse and Standard Chartered Bank is an independent third party and not a connected person of the Company and its connected persons.

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 the Additional Notes are not available to retail investors in the EEA.

UK MiFIR professionals/ECPs-only/No UK PRIIPs KID— Manufacturer target market (MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as the Additional Notes are not available to retail investors in the UK.

The Additional Notes have not been, and will not be, registered under the Securities Act. The Additional 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 Additional Notes will be offered to the public in Hong Kong.

Principal terms of the Additional Notes

The following is a summary of certain provisions of the Additional 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 Additional Notes, the guarantees provided by the Subsidiary Guarantors, and the JV Subsidiary Guarantors, if any.

Additional Notes offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in the aggregate principal amount of US\$100.8 million. The Additional Notes will mature on 6 August 2022 unless earlier redeemed in accordance with the terms thereof.

Issue price

The issue price of the Additional Notes will be 100.945% of the principal amount of the Additional Notes, plus accrued interest from (and including) 6 February 2021 to (but excluding) 27 July 2021.

Interest

The Additional Notes will bear interest from and including 6 August 2021 at the rate of 11.0% *per annum*, payable semi-annually in arrears on 6 February and 6 August every year, commencing 6 August 2021.

Reasons for the Additional Notes Issue

The Group is an integrated property developer focusing on mid-to-high-end residential and commercial property development in the PRC.

The Company intends to use the net proceeds of the Additional Notes Issue to refinance certain of its existing medium to long term offshore indebtedness which will become due within one year and in accordance with the Company's Sustainable Finance Framework.

The Company's Sustainable Finance Framework has been developed to demonstrate how the Company will enter into sustainable financing transactions to fund new and existing projects and businesses with environmental benefits in alignment with the ICMA Green Bond Principles 2018 (GBP), ICMA Sustainability Bond Guidelines 2018 and ICMA Social Bond Principles 2020 and LMA Green Loan Principles 2018. The Company's Sustainable Finance Framework is made public on its website.

Listing

The Original Notes are listed on the SGX-ST. Application will be made to the SGX-ST for the listing and quotation of the Additional Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and listing and

quotation of the Additional Notes on, the SGX-ST are not to be taken as an indication of the merits of the offering, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Additional Notes or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

DEFINITIONS

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

“Additional Notes”	the additional US\$100.8 million 11.0% senior notes due 2022 (to be consolidated and form a single series with the Original Notes)
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Board”	the board of Directors
“Company”	Redco Properties Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Directors”	the directors of the Company
“EEA”	the European Economic Area
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the written agreement entered into between the Company, the Subsidiary Guarantors as guarantors and the trustee dated 19 July 2021, that specifies the terms and conditions of the Additional Notes including the covenants, events of default, interest rate of the Additional Notes and the maturity date
“JV Subsidiary Guarantor”	certain subsidiaries of the Company, other than the Subsidiary Guarantors, that guarantee the Company’s obligations under the Additional Notes

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Original Notes”	the 11.0% senior notes due 2022 in the aggregate principal amount of US\$220 million issued on 6 August 2021 by the Company
“PRC”	the People’s Republic of China
“Purchase Agreement”	the agreement entered into by and among, inter alia, Credit Suisse, Standard Chartered Bank, the Company and the Subsidiary Guarantors in relation to the Additional Notes Issue
“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 Guarantee”	guarantees for the Additional 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 Additional Notes will provide guarantees for the Additional Notes
“U.S. Dollars” or “US\$”	United States dollar(s), the lawful currency of the United States
“UK”	the United Kingdom
“United States”	the United States of America
“%”	per cent.

By Order of the Board
Redco Properties Group Limited
Wong Yeuk Hung
Chairman

Hong Kong, 20 July 2021

As at the date of this announcement, the executive directors of the Company are Mr. Wong Yeuk Hung JP, Mr. Huang Ruoqing and Mr. Tang Chengyong; and the independent non-executive directors of the Company are Mr. Chau On Ta Yuen SBS, BBS, Dr. Tam Kam Kau GBS, SBS, JP and Mr. Yip Tai Him.

* *For identification purposes only*