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Zhenro Properties Group Limited

正榮地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6158)

**PROPOSED ADDITIONAL ISSUE OF
USD DENOMINATED SENIOR NOTES**

Reference is made to the Announcements in respect of the Original Notes.

The Board announces that the Company proposes to conduct a further international offering of US\$-denominated senior notes on terms and conditions of the Original Notes, save for the issue date and the issue price.

Completion of the Additional Notes Issue is subject to, among others, market conditions and investors' interest. Upon finalising the terms of the Additional Notes, it is expected that Deutsche Bank, China Industrial Securities International, CMB International, Haitong International, the Company and the Subsidiary Guarantors will enter into the Purchase Agreement.

The Company will seek a listing of the Additional Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Additional Notes has been received from the Stock Exchange. Admission of the Additional Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes. If the Additional Notes are issued, the Company intends to use the proceeds of the Additional Notes Issue for refinancing its existing indebtedness.

The Additional Notes have not been, and will not be, registered under the Securities Act. The Additional Notes are being offered outside the United States in offshore transactions to non-U.S. persons in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States or to, or for the account on benefit of, U.S. persons 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.

As no binding agreement in relation to the Additional Notes Issue has been entered into as at the date of this announcement, the Additional Notes Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE ADDITIONAL NOTES ISSUE

Introduction

Reference is made to the Announcements in respect of the Original Notes. Unless otherwise defined, terms defined in this announcement shall have the same meanings as defined in the Announcements.

The Board announces that the Company proposes to conduct a further international offering of US\$-denominated senior notes on terms and conditions of the Original Notes, save for the issue date and the issue price.

Details of the Additional Notes Issue, including the aggregate principal amount and the offer price for the Additional Notes, will be determined through a book building exercise to be conducted by Deutsche Bank, China Industrial Securities International, CMB International and Haitong International.

The completion of the Additional Notes Issue is subject to market conditions and investors interest. Upon finalising the terms of the Additional Notes, it is expected that Deutsche Bank, China Industrial Securities International, CMB International, Haitong International, the Company and the Subsidiary Guarantors will enter into the Purchase Agreement. The Company will make a further announcement in respect of the Additional Notes Issue upon the signing of the Purchase Agreement.

The Additional Notes have not been, and will not be, registered under the Securities Act. The Additional Notes are being offered outside the United States in offshore transactions to non-U.S. persons in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States or to, or for the account on benefit of, U.S. persons (as defined in Regulation S under the Securities Act) 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.

Proposed use of proceeds

The Company intends to use the net proceeds of the Additional Notes Issue for refinancing its existing indebtedness. The Company may adjust its plans in response to changing market conditions and, thus reallocate the use of the net proceeds.

Listing

The Company will seek a listing of the Additional Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Additional Notes has been received from the Stock Exchange. Admission of the Additional Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes.

GENERAL

As no binding agreement in relation to the Additional Notes Issue has been entered into as at the date of this announcement, the Additional Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Additional Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

“Additional Notes”	the guaranteed US\$-denominated senior notes to be issued by the Company subject to the terms and conditions of the Purchase Agreement (to be consolidated and form a single series with the Original Notes)
“Additional Notes Issue”	the proposed issue of the Additional Notes by the Company
“Announcements”	the announcements dated 19 September 2018 and 20 September 2018 in respect of the issue of the Original Notes
“Original Notes”	the 12.5% senior notes due 2021 in the aggregate principal amount of US\$280 million issued by the Company on 2 October 2018
“Purchase Agreement”	the agreement proposed to be entered into by and among the Company, the Subsidiary Guarantors, Deutsche Bank, China Industrial Securities International, CMB International and Haitong International in relation to the Additional Notes Issue

By Order of the Board
Zhenro Properties Group Limited
Huang Xianzhi
Chairman

Hong Kong, 18 October 2018

As at the date of this announcement, the executive directors of the Company are Mr. Huang Xianzhi, Mr. Wang Benlong and Mr. Chan Wai Kin, the non-executive directors of the Company are Mr. Ou Guoqiang and Mr. Ou Guowei, and the independent non-executive directors of the Company are Mr. Loke Yu (alias Loke Hoi Lam), Mr. Shen Guoquan and Mr. Wang Chuanxu.