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正榮地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6158)

PROPOSED ISSUE OF USD DENOMINATED SENIOR PERPETUAL CAPITAL SECURITIES

The Board announces that the Company proposes to conduct an international offering of the Senior Perpetual Capital Securities.

Completion of the Proposed Issue is subject to, among others, market conditions and investors' interest. As at the date of this announcement, the principal amount, terms and conditions of the Proposed Issue are yet to be finalised. Upon finalising the terms and conditions of the Senior Perpetual Capital Securities, it is expected that Deutsche Bank, BNP PARIBAS, CCB International, CLSA, CMB International, Goldman Sachs (Asia) L.L.C., Haitong International, Standard Chartered Bank, The Bank of East Asia, Limited, HSBC and the Company, will enter into the Subscription Agreement. The Company intends to use the net proceeds of the Proposed 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.

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

The Senior Perpetual Capital Securities have not been, and will not be, registered under the Securities Act. The Senior Perpetual Capital Securities are being offered outside the United States in offshore transactions in accordance 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 Senior Perpetual Capital Securities will be offered to the public in Hong Kong.

As no binding agreement in relation to the Proposed Issue has been entered into as at the date of this announcement, the Proposed 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 Proposed Issue will be made by the Company should the Subscription Agreement be signed.

THE PROPOSED ISSUE

Introduction

The Board announces that the Company proposes to conduct the Proposed Issue

Completion of the Proposed Issue is subject to, among others, market conditions and investors' interest. As at the date of this announcement, the principal amount, terms and conditions of the Proposed Issue are yet to be finalised. Upon finalising the terms and conditions of the Senior Perpetual Capital Securities, it is expected that Deutsche Bank, BNP PARIBAS, CCB International, CLSA, CMB International, Goldman Sachs (Asia) L.L.C., Haitong International, Standard Chartered Bank, The Bank of East Asia, Limited, HSBC and the Company, will enter into the Subscription Agreement. The Company will make a further announcement in respect of the Proposed Issue upon the signing of the Subscription Agreement.

The Senior Perpetual Capital Securities have not been, and will not be, registered under the Securities Act. The Senior Perpetual Capital Securities are being offered outside the United States in offshore transactions in accordance 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 Senior Perpetual Capital Securities will be offered to the public in Hong Kong.

Proposed use of proceeds

The Company intends to use the net proceeds of the Proposed 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 Senior Perpetual Capital Securities on the Stock Exchange. A confirmation of the eligibility for the listing of the Senior Perpetual Capital Securities has been received from the Stock Exchange. Admission of the Senior Perpetual Capital Securities to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Senior Perpetual Capital Securities.

GENERAL

As no binding agreement in relation to the Proposed Issue has been entered into as at the date of this announcement, the Proposed 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 Proposed Issue will be made by the Company should the Subscription Agreement be signed.

DEFINITIONS

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

"The Bank of East The Bank of East Asia, Limited

Asia, Limited"

"BNP PARIBAS" BNP Paribas

"Board" The board of Directors

"CCB International" CCB International Capital Limited

"CLSA" CLSA Limited

"CMB International" CMB International Capital Limited

"Company" Zhenro 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

"Deutsche Bank" Deutsche Bank AG, Singapore Branch

"Directors" the directors of the Company

"Goldman Sachs (Asia) Gol

L.L.C."

Goldman Sachs (Asia) L.L.C.

"Group" the Company and its subsidiaries

"Haitong International" Haitong International Securities Company Limited

"Hong Kong" the Hong Kong Special Administrative Region of the

People's Republic of China

"HSBC" The Hongkong and Shanghai Banking Corporation

Limited

"PRC" the People's Republic of China, excluding Hong Kong,

Macau Special Administrative Region and Taiwan for

the purpose of this announcement

"Proposed Issue" the proposed issue of the Senior Perpetual Capital

Securities by the Company

"Securities Act" the United States Securities Act of 1933, as amended

"Senior Perpetual the US\$ denominated senior perpetual capital securities Capital Securities" to be issued by the Company subject to the terms and

conditions of the Subscription Agreement

"Standard Chartered

Bank"

Standard Chartered Bank

"Stock Exchange" The Stock Exchange of Hong Kong Limited

"Subscription the agreement proposed to be entered into by and among Agreement" Deutsche Bank, BNP PARIBAS, CCB International,

CLSA, CMB International, Goldman Sachs (Asia) L.L.C., Haitong International, Standard Chartered Bank, The Bank of East Asia, Limited, HSBC and the

Company in relation to the Proposed Issue

"United States"

the United States of America

"U.S. Dollars" or "US\$"

United States dollar(s), the lawful currency of the United States

By order of the board

Zhenro Properties Group Limited

Huang Xianzhi

Chairman

Hong Kong, 12 June 2019

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 Dr. Loke Yu (alias Loke Hoi Lam), Mr. Wang Chuanxu and Mr. Lin Hua.