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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)

ISSUANCE OF ADDITIONAL US\$110,000,000 9.15% SENIOR NOTES DUE 2022 (TO BE CONSOLIDATED AND FORM A SINGLE CLASS WITH THE 200,000,000 9.15% SENIOR NOTES DUE 2022 ISSUED ON 8 MARCH 2019)

Reference is made to the Announcements.

On 13 August 2019, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Standard Chartered Bank, CMB International and Haitong International in connection with the Additional Notes Issue. 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.

The Original Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue. 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.

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

The Board is pleased to announce that on 13 August 2019, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with Standard Chartered Bank, CMB International and Haitong International in connection with the Additional Notes Issue.

THE PURCHASE AGREEMENT

Parties to the Purchase Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) Standard Chartered Bank;
- (d) CMB International; and
- (e) Haitong International.

Standard Chartered Bank, CMB International and Haitong International have been appointed as the joint global coordinators, the joint lead managers and the joint bookrunners of the Additional Notes Issue. They 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 Standard Chartered Bank, CMB International and Haitong International is an independent third party and not a connected person of the Company and its connected persons.

The Additional Notes and the Subsidiary Guarantees have not been, and will not be, registered under the U.S. Securities Act. The Additional Notes and the Subsidiary Guarantees will only be offered and sold by the Initial Purchasers outside of the United States in compliance with Regulation S under the U.S. 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 U.S. Securities Act. None of the Additional Notes and the Subsidiary Guarantees will be offered to the public in Hong Kong.

Principal terms of the Additional Notes

The principal terms of the Additional Notes are the same as the terms of the Original Notes as set forth in the announcement of the Company dated 3 March 2019, other than the followings:

Notes Offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in an aggregate principal amount of US\$110 million, to be consolidated and form a single series with the Original Notes. The Additional Notes will mature on 8 March 2022, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Additional Notes will be 101.341% of the principal amount of the Additional Notes, plus accrued interest from (and including) 8 March 2019 to (but excluding) 19 August 2019.

Proposed use of proceeds

The Company intends to use the net proceeds of the Additional Notes Issue for refinancing its existing indebtedness.

Listing and rating

The Original Notes are listed on the Stock Exchange. The Company will procure that the Additional Notes will also be listed on the Stock Exchange upon issue. 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. The Additional Notes are expected to be rated B- by Standard & Poor's Rating Services and B2 by Moody's Investors Services.

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 class with the Original Notes)
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Announcements”	the announcements dated 1 March 2019 and 3 March 2019
“CMB International”	CMB International Capital Limited
“Haitong International”	Haitong International Securities Company Limited
“Initial Purchasers”	Standard Chartered Bank, CMB International and Haitong International
“Original Notes”	the 9.15% senior notes due 2022 in the aggregate principal amount of US\$200 million issued by the Company on 8 March 2019
“Purchase Agreement”	the agreement entered into by and among the Company, the Subsidiary Guarantors, Standard Chartered Bank, CMB International and Haitong International in relation to the Additional Notes Issue
“Standard Chartered Bank”	Standard Chartered Bank

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

Hong Kong, 13 August 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.