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**Sunkwan Properties Group Limited**

**上坤地產集團有限公司**

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

**(the “Company”, Stock Code: 6900)**

**(1) COMPLETION OF THE EXCHANGE OFFER  
RELATING TO THE 12.25% SENIOR NOTES DUE 2022  
(THE “EXCHANGE NOTES”)**

**(ISIN: XS2363837258; COMMON CODE: 236383725; STOCK CODE: 40773)  
AND THE ISSUE OF THE NEW NOTES**

**(2) COMPLETION OF THE CONSENT SOLICITATION  
RELATING TO THE 13.5% SENIOR NOTES DUE 2023  
(THE “CONSENT NOTES”)**

**(ISIN: XS2417707374; COMMON CODE: 241770737; STOCK CODE: 4307)**

**(3) INSIDE INFORMATION**

**AND**

**(4) DELISTING OF THE EXCHANGE NOTES**

Reference is made to the announcements of the Company dated July 8, 2022, July 8, 2022 and July 15, 2022 (collectively, the “**Announcements**”) in relation to the Exchange Offer and the Consent Solicitation. Capitalized terms used but not otherwise defined in this announcement shall have the same meaning ascribed to them in the Announcements.

The Company would like to clarify that there was an inadvertent arithmetic error in rounding with regard to the Capitalized Interest to be issued as Exchange Consideration in the Announcement on July 15, 2022. The Capitalized Interest amount to be issued should have been US\$12,564,666. Accordingly, the total principal amount of the New Notes to be issued should have been US\$222,364,666. Save for the aforesaid, the Company confirms that there is no other clarification that is required to be made regarding the Exchange Offer.

## **COMPLETION OF THE EXCHANGE OFFER AND THE ISSUE OF THE NEW NOTES**

The Board is pleased to announce that on July 18, 2022, all conditions precedent to the Exchange Offer have been fulfilled and the Exchange Offer has been completed.

The Exchange Consideration, settled on the same date, is comprised of (i) an issue of US\$209,800,000 of the New Notes, and (ii) an issue of US\$12,564,666 of the New Notes as Capitalized Interest, to Eligible Holders who have validly tendered their Exchange Notes pursuant to the Exchange Offer. US\$209,800,000 of the Exchange Notes validly tendered for exchange and accepted pursuant to the Exchange Offer have been cancelled. The remaining outstanding principal amount of the Exchange Notes is US\$200,000 after such cancellation.

The New Notes bear interest at the rate of 12.25% per annum from July 18, 2022, payable in arrears on January 18, 2023 and July 17, 2023.

## **COMPLETION OF THE CONSENT SOLICITATION**

The Board is pleased to announce that it has received the Requisite Consents necessary to effect the Proposed Amendment.

Pursuant to the Consent Solicitation Statement, the Company executed the Consent Supplemental Indenture to the Consent Notes Indenture. The Consent Supplemental Indenture was dated July 15, 2022 (the “**Effective Time**”) by and among the Company, the Subsidiary Guarantors (as defined therein) and the trustee of the Consent Notes Indenture, and gave effect to the Proposed Amendment in compliance with the conditions contained in the Consent Notes Indenture. The Proposed Amendment has, as described in the Consent Solicitation Statement, eliminated or amended certain provisions in the Consent Notes Indenture. For the details of the Proposed Amendment, holders of the Consent Notes should refer to the Consent Solicitation Statement. From and after the Effective Time, each present and future holder of the Consent Notes will be bound by the terms of the Consent Notes Indenture as amended and supplemented by the Consent Supplement Indenture, whether or not such holder delivered a consent.

## **REMAINING EXCHANGE NOTES**

As announced previously, the Company may not make timely repayments in accordance with the terms of the remaining Exchange Notes upon their maturities. With respect to the Exchange Notes that remain outstanding, the Company will continue to communicate with such holders. Despite the completion of the Exchange Offer and the Consent Solicitation, the Company urges holders of the remaining Exchange Notes to exchange the remaining Exchange Notes for the New Notes under substantially the same terms as those of the Exchange Offer. The Company encourages such holders to contact the Company as soon as practicable in order to come to mutually agreeable arrangements for such exchange.

## **INSIDE INFORMATION**

Pursuant to the terms of the Exchange Notes, all outstanding principal amount on the Exchange Notes together with the accrued interest thereon are due and payable on the maturity date of July 21, 2022. As of the date of this announcement, the Company expects that it may not be in position for repayment of principal and/or interest on remaining non-tendered principal of US\$200,000, representing approximately 0.1% of outstanding principal amount of the Exchange Notes on July 21, 2022. Such non-payment of interest will constitute an event of default under the Exchange Notes upon expiration of the 30-day grace period and there is no grace period for the repayment of principal; as of the date of this announcement, such event of default has not occurred.

As of the date of this announcement, the aforesaid circumstances have not led and would not lead to any defaults under the Consent Notes. The Board is of the view that the aforesaid circumstances do not have any potential material impact on the business operations of the Group.

## **DELISTING OF THE EXCHANGE NOTES**

Notice is also given that as the Exchange Notes will mature on July 21, 2022, the Exchange Notes will be delisted from the Stock Exchange upon its maturity. After withdrawal of listing on the Stock Exchange, noteholders requiring further information in relation to the Exchange Notes may contact the Company at 40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong or [skir@sunkwan.com.cn](mailto:skir@sunkwan.com.cn).

By order of the Board  
**Sunkwan Properties Group Limited**  
**Zhu Jing**  
*Chairwoman*

Hong Kong, July 19, 2022

*As of the date of this announcement, the Board comprises Ms. Zhu Jing, Ms. Sheng Jianjing and Mr. Yang Zhandong as executive directors, Mr. Lin Jinfeng and Ms. Lin Zhaohong as non-executive directors and Mr. Guo Shaomu, Mr. Au Yeung Po Fung and Mr. Zhou Zheren as independent non-executive directors.*