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**天譽置業（控股）有限公司**  
**SKYFAME REALTY (HOLDINGS) LIMITED**

*(incorporated in Bermuda with limited liability)*  
*(Stock Code: 00059)*

**ISSUANCE OF US\$105,000,000 13.0% SENIOR NOTES DUE 2022**  
**AND**  
**CONNECTED TRANSACTION IN RELATION TO THE PARTIAL**  
**SUBSCRIPTION OF THE NOTES BY A CONNECTED PERSON**

**THE NOTES ISSUE**

On 28 June 2019, the Company entered into the Purchase Agreement with China Investment Securities International, Dongxing Securities (Hong Kong) Company Limited, Everbright Sun Hung Kai, Future Land Resources, Wilson, CM Financial and Morton Securities Limited in connection with the Notes Issue.

The Company intends to use the net proceeds of the Notes mainly for refinancing certain of its existing offshore indebtedness and other general corporate purposes.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, or any other subsidiary or associated company of the Company.

No listing of the Notes has been, or will be, sought in Hong Kong.

**No PRIIPs KID** – No PRIIPs key information document (KID) has been prepared as not available to retail in the European Economic Area.

**CONNECTED TRANSACTION**

Given Grand Cosmos has subscribed the Notes in the principal amount of US\$20,000,000, the Subscription would constitute a connected transaction under Chapter 14A of the Listing Rules.

The subscription price for the Subscription is the same as the subscription price paid by the other investors in the Notes Issue. The Subscription is being undertaken to signify Mr. Yu's continuing support to and his confidence in the Company. The Subscription is part of the Notes Issue and will enable the Company to raise fund.

## **IMPLICATIONS UNDER THE LISTING RULES**

Grand Cosmos is a company indirectly wholly-owned by Mr. Yu, who is a Director and a controlling shareholder of the Company. Grand Cosmos is also the substantial shareholder of the Company, which is also considered as a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. The Subscription constitutes a connected transaction of the Company. As the Notes are issued under normal commercial terms, and that the Notes are secured by the assets of the Group, all of the applicable percentage ratios (except the profits ratio) in respect of the Subscription exceed 0.1% but all of them are less than 5%, the Subscription is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and the Independent Shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

Save for Mr. Yu who has a material interest in the Notes Issue and he had abstained from voting on the resolutions at the Board meeting held to approve the Notes Issue and the Subscription, none of the other Directors has a material interest in the Notes Issue and is required to abstain from voting on the relevant board resolutions in connection with the Subscription.

## **THE NOTES ISSUE**

### **The Purchase Agreement**

The Board is pleased to announce that on 28 June 2019, the Company entered into the Purchase Agreement with China Investment Securities International, Dongxing Securities (Hong Kong) Company Limited, Everbright Sun Hung Kai, Future Land Resources, Wilson, CM Financial and Morton Securities Limited in connection with the Notes Issue.

China Investment Securities International, Dongxing Securities (Hong Kong) Company Limited and Everbright Sun Hung Kai are the joint global coordinators, joint bookrunners and joint lead managers, together with Future Land Resources, Wilson, CM Financial and Morton Securities Limited as the joint bookrunners and joint leader managers of the Notes Issue. They are also the initial purchasers of the Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of China Investment Securities International, Dongxing Securities (Hong Kong) Company Limited, Everbright Sun Hung Kai, Future Land Resources, Wilson, CM Financial and Morton Securities Limited is an independent third party and not a connected person of the Company.

The Notes have not been and will not be registered under the Securities Act, and may not be offered, sold or delivered within the United States. Accordingly, the Notes are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and in accordance with any other applicable laws. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed with any connected persons of the Company (except Mr. Yu and/or Grand Cosmos).

## **Principal terms of the Notes**

The following is a brief summary of the principal terms of the Notes.

### *Notes Offered*

Subject to certain conditions to completion, the Company will issue the Notes in an aggregate principal amount of US\$105,000,000 which will mature on 8 July 2022, unless earlier redeemed pursuant to the terms thereof.

### *Offering Price*

The offering price of the Notes will be 100% of the principal amount of the Notes.

### *Interest*

The Notes will bear interest at a rate of 13.0% per annum, payable semi-annually in arrears on 8 January and 8 July of each year, commencing 8 January 2020.

### *Ranking of the Notes*

The Notes are (1) general obligations of the Company, (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes, (3) at least pari passu in right of payment with all unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law), (4) effectively subordinated to secured obligations (if any) of the Company to the extent of the value of the assets serving as security therefor (other than the Collateral provided), and (5) effectively subordinated to all existing and future obligations of the subsidiaries of the Company.

### *Security to be granted*

The Company has agreed, for the benefit of the holders of the Notes, to pledge the Collateral on the date of closing.

### *Events of default*

The events of default under the Notes include, among others: (a) default in the payment of principal (or premium, if any); (b) default in the payment of interest and such default continues for a period of 30 consecutive days; (c) default in the performance or breach of the provisions of certain covenants under the Indenture relating to consolidation, merger and sale of assets, the failure by the Company to make or consummate an offer to purchase in the manner described in the Indenture or the failure by the Company to create, or cause certain of its subsidiaries to create, a lien on the Collateral, in accordance with the relevant covenants under the Indenture; (d) default by the Company or certain of its subsidiaries in the performance of or breach any other covenant or agreement in the Indenture or under the Notes (other than the default specified in clause (a), (b) or (c) above) and such default or breach continues for a period of 30 consecutive days after written notice by the holders of 25% or more in aggregate principal amount of

the Notes then outstanding or by the trustee at the direction of such holders; (e) default by the Company or certain of its subsidiaries in the repayment of indebtedness having, in the aggregate, an outstanding principal amount in excess of US\$10 million; (f) one or more final judgments or orders for the payment of money are rendered against the Company or certain of its subsidiaries and are not paid or discharged against such persons and exceed the aggregate amount of US\$10 million; (g) an involuntary bankruptcy or insolvency case or other proceedings against the Company or certain of its subsidiaries; (h) voluntary bankruptcy or insolvency proceedings commenced by the Company or certain of its subsidiaries or consent to such similar action or effects any general assignment for the benefit of creditors; (i) default by the Company in the performance of any of its obligations under the security provided under the Notes, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the Collateral created under the Notes or which adversely affects the condition or value of such Collateral, taken as a whole, in any material respect; or (j) the Company denying or disaffirming its obligations under the security documents provided under the Notes or, other than in accordance with the Indenture and the relevant security documents provided under the Notes, any such relevant security document ceasing to be or is not in full force and effect, or the Collateral agent ceasing to have a security interest in the Collateral given under the Notes (subject to any permitted liens).

If an event of default (other than as specified in clauses (g) and (h) above) occurs and is continuing, under the Indenture the trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding may declare the principal of the Notes plus any accrued and unpaid interest and premium (if any) to be immediately due and payable.

#### *Covenants*

The Notes and the Indenture will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur additional indebtedness and issue disqualified or preferred stock;
- (b) make investments or other specified restricted payments;
- (c) issue or sell capital stock of certain of its subsidiaries;
- (d) guarantee indebtedness of certain of its subsidiaries;
- (e) sell assets;
- (f) create liens;
- (g) enter into sale and leaseback transactions;

- (h) enter into agreements that restrict certain of its subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (i) enter into transactions with shareholders or affiliates; and
- (j) effect a consolidation or merger.

#### *Optional Redemption*

At any time prior to 8 July 2022, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. Neither the trustee nor the paying agent will be responsible for calculating or verifying the applicable premium.

At any time and from time to time prior to 8 July 2022, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 113.0% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes issued on the original issue date of the Notes remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

#### *Repurchase at the Option of the holders of the Notes*

The Company shall, at the option of any holder of the Notes, repurchase all of the Notes held by such holder, or any portion of the principal thereof on the Put Option Settlement Date at 100% of the principal amount of the Notes plus accrued interests.

#### **Reasons for the Notes Issue**

The Group is principally engaged in the property development, property investment, property management and commercial operations.

The Company intends to use the net proceeds of the Notes mainly for refinancing certain of its existing offshore indebtedness and other general corporate purposes. The Subscription signifies Mr. Yu's continuing support to and his confidence in the Company which would enable the Company to raise more fund, the Directors (including the independent non-executive Directors) are of the view that the Notes are issued (including the Subscription) on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.



## **Listing**

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, or any other subsidiary or associated company of the Company.

No listing of the Notes has been, or will be, sought in Hong Kong.

## **CONNECTED TRANSACTION**

Given Grand Cosmos has subscribed the Notes in the principal amount of US\$20,000,000, the Subscription would constitute a connected transaction under Chapter 14A of the Listing Rules.

The subscription price for the Subscription is the same as the subscription price paid by the other investors in the Notes Issue.

## **IMPLICATIONS UNDER THE LISTING RULES**

Grand Cosmos is a company indirectly wholly-owned by Mr. Yu, who is a Director and a controlling shareholder of the Company. Grand Cosmos is also the substantial shareholder of the Company, which is also considered as a connected person of the Company for the purpose of Chapter 14A of the Listing Rules. As all of the applicable percentage ratios (except the profits ratio) in respect of the Subscription exceed 0.1% but all of them are less than 5%, the Subscription constitutes a connected transaction of the Company and is subject to the reporting and announcement requirements but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Save for Mr. Yu who has a material interest in the Notes Issue and he had abstained from voting on the resolutions at the Board meeting held to approve the Notes Issue and the Subscription, none of the other Directors has a material interest in the Notes Issue and is required to abstain from voting on the relevant board resolutions in connection with the Subscription.

## **DEFINITIONS**

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

“Board”	the board of Directors
“China Investment Securities International”	China Investment Securities International Brokerage Limited

“Collateral”	the collateral securing the Notes, which shall consist of a share charge of the entire shareholding interest over Winprofit Investments Limited, a direct wholly-owned subsidiary of the Company
“Company”	Skyfame Realty (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“CM Financial”	CM Securities (Hongkong) Company Limited
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Everbright Sun Hung Kai”	China Everbright Securities (HK) Limited
“Future Land Resources”	Future Land Resources Securities Limited
“Grand Cosmos”	Grand Cosmos Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is indirectly wholly-owned by Mr. Yiu
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the legal currency of Hong Kong
“Indenture”	the indenture governing the Notes
“Independent Shareholder(s)”	the Shareholders other than Mr. Yu and his associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yu”	Mr. Yu Pan, the Chairman, an executive Director and the controlling shareholder of the Company
“Notes”	the 13.0% senior notes due 2022 in the aggregate principal amount of US\$105,000,000 to be issued by the Company



“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement
“Purchase Agreement”	the agreement entered into by and among the Company, China Investment Securities International, Dongxing Securities (Hong Kong) Company Limited, Everbright Sun Hung Kai, Future Land Resources, Wilson, CM Financial and Morton Securities Limited in relation to the Notes Issue
“Put Option Settlement Date”	8 July 2021
“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
“Subscription”	the subscription of the Notes in the principal amount of US\$20,000,000 by Mr. Yu through Grand Cosmos
“United States”	United States of America
“US\$”	United States dollars, the legal currency of the United States
“Wilson”	Wilson Securities Limited
“%”	per cent.

By Order of the Board  
**Skyfame Realty (Holdings) Limited**  
**Mr. WEN Xiaobing**  
*Executive Director*

Hong Kong, 8 July 2019.

*As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. YU Pan (Chairman), Mr. WEN Xiaobing and Mr. WANG Chenghua; one non-executive director, namely Mr. WONG Lok and three independent non-executive directors, namely Mr. CHOY Shu Kwan, Mr. CHENG Wing Keung, Raymond and Ms. CHUNG Lai Fong.*