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萬城控股有限公司

MILLION CITIES HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2892)

**SUPPLEMENTAL ANNOUNCEMENT ON
DISCLOSEABLE TRANSACTION IN RELATION TO
PROVISION OF FINANCIAL ASSISTANCE**

Reference is made to the announcement of the Company dated 14 September 2020 in relation to the provision of financial assistance to an independent third party (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement unless otherwise defined herein.

The Company wishes to provide the shareholders of the Company and potential investors with additional information in relation to the entering into of the Loan Agreement.

FURTHER INFORMATION OF THE BORROWER

The Borrower is an indirect wholly-owned subsidiary of Logan Property Holdings Company Limited (“**Logan**”), a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange (stock code: 3380). Logan and its subsidiaries are principally engaged in property development, property investment, construction and decoration and primary land development. The Borrower does not have any other past or present relationships with the Company or its connected persons. Since February 2017, an indirect wholly-owned subsidiary of Logan has been holding 50% shares in Well Kong Investments Limited, which is a joint venture of the Company. Save the above, neither Logan nor the controlling shareholders thereof have any past or present relationships with the Company or its connected persons. To the best of the Directors’ knowledge, information and belief after making all reasonable enquiries, the Borrower, its parent company (i.e. Logan) and its connected persons and the controlling shareholders thereof are Independent Third Parties.

FURTHER INFORMATION ON THE REASONS FOR AND BENEFITS OF THE LOAN AGREEMENT

As disclosed in the Announcement, the permitted use of the Loan is for the land acquisition cost in relation to the Land Parcel. The total land requisition cost in relation to the Land Parcel is RMB529,410,000 (tax inclusive) (equivalent to approximately HK\$598,233,300). It is further disclosed in the Announcement that the Group is planning to cooperate with the Borrower for the development of the Project by acquiring 30% of the equity interest of the Project Company (the “**Planned Acquisition**”). The Planned Acquisition is expected to take place after 60 days from the drawdown of the Loan (i.e. 13 November 2020) or 30 days from the grant of title document of the Land Parcel to the Project Company (whichever is later). The Company will not proceed with the Planned Acquisition if the Project Company fails to obtain the title documents of the Land Parcel, or if the Parties fail to reach an agreement regarding the transfer of 30% equity interest of the Project Company or regarding the development of the Project. Since the application for title documents of the Land Parcel is still in progress, it is not feasible to determine the exact timing for conducting the Planned Acquisition at the current stage. The Company will publish further announcements to update the shareholders of the Company and the potential investors regarding the progress of the title document application and the Planned Acquisition as and when appropriate.

Since the Planned Acquisition would involve acquisition of assets as defined under Chapter 14 of the Listing Rules, the entering into of the Planned Acquisition will constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. As of the date of this announcement, no formal agreement relating to the Planned Acquisition has been entered into. The Company will comply with the reporting, announcement and shareholder approval requirements (if applicable) under Chapter 14 of the Listing Rules when the Planned Acquisition has been materialised in the future.

By Order of the Board
Million Cities Holdings Limited
Wong Ting Chung
Chairman and non-executive Director

Hong Kong, 22 September 2020

As at the date of this announcement, the chairman and non-executive Director is Mr. Wong Ting Chung; the executive Directors are Mr. Lau Ka Keung and Mr. Cheng Kwan Kuen; and the independent non-executive Directors are Mr. Ip Shu Kwan, Stephen, Mr. Li Yinquan and Dr. Wu Wing Kuen.

For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.13 have been used for currency translation, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at such a rate.