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DEXIN CHINA HOLDINGS COMPANY LIMITED

德信中国控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2019)

**(1) PROPOSED ISSUANCE OF SENIOR NOTES
AND**

**(2) OFFER TO PURCHASE FOR CASH
OF OUTSTANDING US\$300 MILLION 12.875% SENIOR NOTES DUE 2021
UP TO THE MAXIMUM ACCEPTANCE AMOUNT AND SUBJECT TO,
AMONG OTHERS,
THE NEW ISSUE CONDITION
(ISIN: XS2035536098; Common Code: 203553609; Stock Code: 5624)**

PROPOSED ISSUANCE OF SENIOR NOTES

The Company proposes to conduct the Proposed Notes Issue.

Completion of the Proposed Notes Issue is subject to, inter alia, market conditions and investors' interest. The Notes are proposed to be guaranteed by the Subsidiary Guarantors. Guotai Junan International, Credit Suisse and UBS are the joint global coordinators, joint bookrunners and joint lead managers, and The Bank of East Asia, Limited, Barclays, BNP PARIBAS, CCB International, China CITIC Bank International, China International Capital Corporation, CMBC Capital, Deutsche Bank, Orient Securities (Hong Kong) and Yue Xiu Securities are the joint bookrunners and joint lead managers of the Proposed Notes Issue. The Company currently intends to use the net proceeds of the Notes for the repayment of existing offshore indebtedness.

The Company will seek a listing of the Notes on the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Potential investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

OFFER TO PURCHASE FOR CASH OF OUTSTANDING US\$300 MILLION 12.875% SENIOR NOTES DUE 2021

The Company is making an offer to purchase for cash its outstanding 2021 Notes up to the Maximum Acceptance Amount at a purchase price of US\$1,022.5 per US\$1,000 principal amount of the 2021 Notes. It is the current intention of the Company that the Maximum Acceptance Amount will be US\$90,000,000, although the Company reserves the right, in its sole discretion, to accept significantly more than or significantly less than the Maximum Acceptance Amount, or to accept none of such 2021 Notes, for purchase pursuant to the Offer. The Company has made available today to the Eligible Holders the Offer to Purchase setting out, among other things, the terms, the New Issue Condition and other conditions of the Offer.

The Offer is being made as part of the Company's policy to actively manage its balance sheet liabilities and optimize its debt structure.

Guotai Junan International, Credit Suisse and UBS are acting as the Dealer Managers and D.F. King Ltd. is acting as the Information and Tender Agent in relation to the Offer.

(1) PROPOSED ISSUANCE OF SENIOR NOTES

INTRODUCTION

The Company proposes to conduct the Proposed Notes Issue.

The Notes and the Subsidiary Guarantees have not been, and will not be, registered under the Securities Act or any state securities laws. The Notes are being offered and sold only outside the United States in offshore transactions in reliance upon Regulation S under the Securities Act. None of the Notes will be offered to the public in Hong Kong.

Completion of the Proposed Notes Issue is subject to, inter alia, market conditions and investors' interest. The Notes are proposed to be guaranteed by the Subsidiary Guarantors. Guotai Junan International, Credit Suisse and UBS are the joint global coordinators, joint bookrunners and joint lead managers, and The Bank of East Asia, Limited, Barclays, BNP PARIBAS, CCB International, China CITIC Bank International, China International Capital Corporation, CMBC Capital, Deutsche Bank, Orient Securities (Hong Kong) and Yue Xiu Securities are the joint bookrunners and joint lead managers of the Proposed Notes Issue. Pricing of the Notes will be determined through a book building exercise to be conducted by the joint lead managers. The Notes, if issued, will be repayable at maturity, unless earlier redeemed or repurchased pursuant to their terms. As at the date hereof, the amount, terms and conditions of the Proposed Notes Issue have yet to be determined. Upon finalization of the terms of the Proposed Notes Issue, Guotai Junan International, Credit Suisse, UBS, The Bank of East Asia, Limited, Barclays, BNP PARIBAS, CCB International, China CITIC Bank International, China International Capital Corporation, CMBC Capital, Deutsche Bank, Orient Securities (Hong Kong), Yue Xiu Securities, the Company and the Subsidiary Guarantors will enter into the Purchase Agreement. Further announcements in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

MiFID II professionals/ECPs-only/No PRIIPs KID – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in the European Economic Area.

Proposed use of proceeds

The Company currently intends to use the net proceeds of the Notes for the repayment of existing offshore indebtedness.

Listing

The Company will seek a listing of the Notes on the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

GENERAL

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Potential investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

(2) OFFER TO PURCHASE FOR CASH OF OUTSTANDING US\$300 MILLION 12.875% SENIOR NOTES DUE 2021

Description of the 2021 Notes	ISIN/ Common Code	Outstanding principal amount of the 2021 Notes	Maximum Acceptance Amount ⁽¹⁾	Purchase Price ⁽²⁾	Expiration Deadline
12.875% Senior Notes due 2021	XS2035536098/ 203553609	US\$300 million	US\$90,000,000	US\$1,022.5	4:00 p.m. (London Time) on 4 December 2020 ⁽³⁾

(1) As such amount may be changed by the Company in its sole discretion.

(2) Per US\$1,000 principal amount of the 2021 Notes accepted for purchase.

(3) Unless extended, re-opened, amended and/or terminated by the Company.

References are made to the announcements dated 19 July 2019, 31 July 2019 and 11 November 2019 in respect of the issuance of the 2021 Notes by the Company.

Background

The 2021 Notes are listed on the Stock Exchange. The obligations of the Company under the 2021 Notes are guaranteed by certain of the Company's existing subsidiaries. As of the date of this announcement, an aggregate principal amount of US\$300 million of the 2021 Notes remains outstanding.

The Company is making an offer to purchase for cash its outstanding 2021 Notes up to the Maximum Acceptance Amount at a purchase price of US\$1,022.5 per US\$1,000 principal amount of the 2021 Notes. The Company has made available today to the Eligible Holders the Offer to Purchase setting out, among other things, the terms, the New Issue Condition and other conditions of the Offer.

The Company is conducting a Concurrent New Money Issuance. The Concurrent New Money Issuance is not part of the Offer and is conducted pursuant to a separate offering memorandum. The Offer to Purchase is subject to, among others, the New Issue Condition. The Company expects to announce the pricing terms of the Concurrent New Money Issuance as soon as reasonably practicable following any such pricing or, if the Company decides not to proceed with the Concurrent New Money Issuance, it will announce such decision as soon as reasonably practicable following such decision being made. Pricing of the Concurrent New Money Issuance is expected to occur on or about 26 November 2020, subject to market conditions. However, there can be no assurance that the Concurrent New Money Issuance will price at all.

Purpose of the Offer

The Offer is being made as part of the Company's policy to actively manage its balance sheet liabilities and optimize its debt structure.

The Offer

On the terms and subject to the New Issue Condition and other conditions of the Offer, the Company is offering to purchase for cash an aggregate principal amount of the 2021 Notes up to the Maximum Acceptance Amount (as such amount may be changed by the Company in its sole discretion). The Company will determine, in its sole discretion, the aggregate principal amount of the 2021 Notes that it will accept (if any) for purchase pursuant to the Offer. It is the current intention of the Company that the Maximum Acceptance Amount will be US\$90,000,000, although the Company reserves the right, in its sole discretion, to accept significantly more than or significantly less than the Maximum Acceptance Amount, or to accept none of such 2021 Notes, for purchase pursuant to the Offer.

Purchase Price

The Purchase Price payable to the Eligible Holders whose 2021 Notes are accepted for purchase will be equal to US\$1,022.5 for each US\$1,000 in principal amount of the 2021 Notes.

Proration

If the aggregate principal amount of 2021 Notes validly tendered is greater than the Maximum Acceptance Amount, the Company will accept tenders of 2021 Notes for purchase on a pro rata basis such that the aggregate principal amount of 2021 Notes accepted for purchase is no greater than the Maximum Acceptance Amount. Such pro rata application will be performed by accepting (in respect of each relevant Tender Instruction) that proportion of 2021 Notes validly tendered which is equal to the Maximum Acceptance Amount divided by the aggregate principal amount in respect of all 2021 Notes validly tendered, subject to rounding and as described below.

In the event of any such proration, the Company will round downward, if necessary, to ensure all purchases of the 2021 Notes will be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. However, the Company may elect to accept or reject such tender of the 2021 Notes in full if application of proration will otherwise result in either (i) the Company accepting the 2021 Notes from any Eligible Holder in a principal amount of less than US\$200,000 or (ii) the principal amount of the 2021 Notes not purchased due to pro rata application being less than US\$200,000. All the 2021 Notes not accepted as a result of proration will be returned to Eligible Holders.

Accrued Interest Payment

The Company will also pay an Accrued Interest Payment in respect of the 2021 Notes accepted for purchase pursuant to the Offer (from and including the last interest payment date up to, but excluding, the Settlement Date) on the Settlement Date.

Sources of Funds

The Company intends to finance the Offer with the proceeds from internal funding and the Concurrent New Money Issuance.

Tender Instruction

In order to participate in the Offer, Eligible Holders must validly tender their 2021 Notes for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Information and Tender Agent by the Expiration Deadline, unless extended, re-opened, amended and/or terminated as provided in the Offer to Purchase. Separate Tender Instructions must be submitted on behalf of each individual beneficial owner due to potential proration. Tender Instructions will be irrevocable once delivered in accordance with the terms of the Offer.

Each Tender Instruction must specify the principal amount of the 2021 Notes that the relevant Eligible Holder is tendering at the Purchase Price. The 2021 Notes may be tendered only in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

Dealer Managers and Information and Tender Agent

The Company has appointed Guotai Junan International, Credit Suisse and UBS as the dealer managers and D.F. King Ltd. as the information and tender agent in relation to the Offer.

Indicative Timetable for the Offer

Events

Times and Dates

Commencement of the Offer

26 November 2020

The Offer is announced. Offer to Purchase available from the Information and Tender Agent and on the Offer Website, and notice of the Offer delivered to the Clearing Systems for communication to Direct Participants.

Announcement of the Pricing of the Notes

On or about 26 November 2020

The pricing and other terms of the Notes offered in the Concurrent New Money Issuance are announced.

Expiration Deadline

4.00 p.m. (London Time) on
4 December 2020

Final deadline for receipt of valid Tender Instructions by the Information and Tender Agent.

Announcement of Results

As soon as reasonably practicable
after the Expiration Deadline

Announcement of whether the Company will accept valid tenders of the 2021 Notes pursuant to the Offer and, if so accepted, (i) the aggregate principal amount of the 2021 Notes accepted for tender and any proration factor (if applicable), (ii) the Purchase Price and (iii) the Accrued Interest (expressed per US\$1,000 in principal amount of the 2021 Notes accepted for purchase by the Company). The Company plans to cancel the 2021 Notes it purchased pursuant to the Offer. The 2021 Notes that have not been validly tendered and accepted for purchase pursuant to the Offer will remain outstanding after the Settlement Date.

Settlement Date

On or about 9 December 2020

Expected settlement date for the Offer.

The above times and dates are subject to the right of the Company to extend, re-open, amend and/or terminate the Offer (subject to applicable law and as provided in the Offer to Purchase).

Eligible Holders are advised to check with any bank, securities broker or other intermediary through which they hold the 2021 Notes when such intermediary would need to receive instructions from an Eligible Holder in order for that Eligible Holder to be able to participate in the Offer by the deadline set out above. The deadline set by any such intermediary and each Clearing System for the submission of Tender Instructions will be earlier than the deadline described above.

Unless stated otherwise, announcements in connection with the Offer will be made through the website of the Stock Exchange, the issue of a press release to a Notifying News Service and/or the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of the announcements, press releases and notices can also be obtained from the Information and Tender Agent, the contact details for which are on page 7 of this announcement. Significant delays may be experienced where notices are delivered to the Clearing Systems, and Eligible Holders are urged to contact the Information and Tender Agent for the relevant announcements during the course of the Offer using the contact details on page 7 of this announcement. In addition, Eligible Holders may contact the Dealer Managers for information using the contact details on page 7 of this announcement.

Offer to Purchase

The Offer to Purchase contains important information which should be read carefully by Eligible Holders before any decision is made with respect to the Offer. Eligible Holders are recommended to seek their own financial and legal advice, including in respect of any tax consequences, from their broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser.

The terms of the Offer are more fully described in the Offer to Purchase, which sets out further details regarding the tender procedures and the conditions of the Offer.

None of the Company, the Dealer Managers or the Information and Tender Agent (or any of their respective directors, employees or affiliates) makes any recommendation as to whether the Eligible Holders should tender their 2021 Notes in response to the Offer.

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, ANY SECURITIES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE OFFER TO PURCHASE.

DEALER MANAGERS

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INFORMATION AND TENDER AGENT

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DEFINITIONS

“2021 Notes”	12.875% Senior Notes due 2021 (ISIN: XS2035536098; Common Code: 203553609; Stock Code: 5624)
“Accrued Interest”	interest accrued and unpaid on the principal amount of 2021 Notes from and including the last interest payment date of 6 August 2020 up to, but excluding, the Settlement Date.
“Accrued Interest Payment”	an amount in cash (rounded to the nearest US\$0.01, with half a cent rounded upwards) equal to the Accrued Interest on the 2021 Notes accepted for purchase by the Company
“Barclays”	Barclays Bank PLC
“BNP PARIBAS”	BNP Paribas
“Board”	the board of Directors
“CCB International”	CCB International Capital Limited
“China” or “PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“China CITIC Bank International”	China CITIC Bank International Limited
“China International Capital Corporation”	China International Capital Corporation Hong Kong Securities Limited
“Clearing System Notice”	the form of notice to be sent to Direct Participants by each of the Clearing Systems on or about the date of the Offer to Purchase informing Direct Participants of the procedures to be followed in order to participate in the Offer
“Clearing Systems”	Euroclear Bank SA/NV and Clearstream Banking S.A.
“CMBC Capital”	CMBC Securities Company Limited
“Company”	Dexin China Holdings Company Limited (德信中国控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
“Concurrent New Money Issuance”	an offering of the Notes which is conducted by the Company concurrently with the Offer and pursuant to a separate offering memorandum

“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Dealer Managers”	Guotai Junan International, Credit Suisse and UBS
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch
“Direct Participant”	each person who is shown in the records of the Clearing Systems as a holder of the 2021 Notes
“Directors”	the directors of the Company
“Eligible Holders”	holders of the 2021 Notes who are non-U.S. persons located outside United States (as those terms are defined in Regulation S under the Securities Act)
“Expiration Deadline”	4:00 p.m. (London Time) on 4 December 2020 (subject to the right of the Company to extend, re-open, amend and/or terminate the Offer)
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Information and Tender Agent”	D.F. King Ltd.
“Maximum Acceptance Amount”	the maximum aggregate principal amount of the 2021 Notes that the Company will determine, in its sole discretion, that it will accept for purchase pursuant to the Offer
“New Issue Amount”	the aggregate principal amount of the Notes
“New Issue Condition”	the condition of the Offer that the Concurrent New Money Issuance shall have been successfully consummated
“Notifying News Service”	a recognized financial news service or services (e.g. Reuters/Bloomberg) as selected by the Company
“Notes”	the senior notes to be issued by the Company in the Concurrent New Money Issuance
“Offer”	the offer to purchase for cash by the Company of its outstanding 2021 Notes up to the Maximum Acceptance Amount, on the terms and subject to the New Issue Condition and other conditions set out in the Offer to Purchase
“Offer to Purchase”	an Offer to Purchase dated 26 November 2020 issued to the Eligible Holders by the Company in connection with the Offer

“Offer Website”	the website, https://sites.dfkingltd.com/dexin , operated by the Information and Tender Agent for the purpose of the Offer
“Orient Securities (Hong Kong)”	Orient Securities (Hong Kong) Limited
“Outstanding Principal Amount”	US\$300 million, the outstanding principal amount of the 2021 Notes
“Proposed Notes Issue”	the proposed issue of the Notes by the Company
“Purchase Agreement”	the agreement proposed to be entered into between the Company, the Subsidiary Guarantors, Guotai Junan International, Credit Suisse, UBS, The Bank of East Asia, Limited, Barclays, BNP PARIBAS, CCB International, China CITIC Bank International, China International Capital Corporation, CMBC Capital, Deutsche Bank, Orient Securities (Hong Kong) and Yue Xiu Securities, in relation to the Proposed Notes Issue
“Purchase Price”	US\$1,022.5 per \$1,000 principal amount of the 2021 Notes
“Securities Act”	the United States Securities Act of 1933, as amended
“Settlement Date”	On or about 9 December 2020 (subject to the right of the Company to extend, re-open, amend or terminate the Offer at any time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	the guarantees provided by the Subsidiary Guarantors in respect of the Notes
“Subsidiary Guarantors”	certain non-PRC subsidiaries of the Company which guarantee the Notes
“Tender Instruction”	<p>The electronic tender and blocking instruction in the form specified in the Clearing System Notice for submission by Direct Participants to the Information and Tender Agent via the relevant Clearing System and in accordance with the requirements of such Clearing System by the deadline in order for Eligible Holders to be able to participate in the Offer.</p> <p>Such electronic tender and blocking instruction must specify the principal amount of the 2021 Notes that the relevant Eligible Holder is tendering at the Purchase Price. The 2021 Notes may be tendered only in minimum denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.</p>

“The Bank of East Asia, Limited”	The Bank of East Asia, Limited
“UBS”	UBS AG Hong Kong Branch (UBS AG is incorporated in Switzerland with limited liability)
“United States”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States
“Yue Xiu Securities”	Yue Xiu Securities Company Limited
“%”	percent

By Order of the Board
DEXIN CHINA HOLDINGS COMPANY LIMITED
Hu Yiping
Chairman

Hong Kong, 26 November 2020

As of the date of this announcement, the Board comprises Mr. Hu Yiping, Mr. Fei Zhongmin and Ms. Shan Bei as executive Directors, Mr. Hu Shihao as a non-executive Director, and Dr. Wong Wing Kuen Albert, Mr. Ding Jiangang and Mr. Chen Hengliu as independent non-executive Directors.