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民銀資本控股有限公司

CMBC CAPITAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1141)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF
THE NEW NGL NOTES PURSUANT TO
THE NGL NOTES EXCHANGE**

The Board announces that, on 3 August 2023, the Purchaser has, pursuant to the NGL Notes Exchange, acquired the New NGL Notes to be issued on the Settlement Date in the aggregate principal amount of US\$14,250,000 by tendering the Existing NGL Notes for the Exchange Consideration.

No cash consideration will be paid by the Purchaser under the NGL Notes Exchange.

IMPLICATIONS UNDER THE LISTING RULES

As the highest relevant applicable percentage ratio (as defined in the Listing Rules) in respect of the Acquisition exceeds 5% (but is less than 25%), the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

INTRODUCTION

The Board announces that, on 3 August 2023, the Purchaser has, pursuant to the NGL Notes Exchange, acquired the New NGL Notes to be issued on the Settlement Date in the aggregate principal amount of US\$14,250,000 by tendering the Existing NGL Notes for the exchange consideration consisting of the following:

- (1) US\$14,250,000 in aggregate principal amount of the New NGL Notes, which will be issued on the Settlement Date;
- (2) US\$35,625 in cash as incentive fee, which will be settled on the Settlement Date; and
- (3) approximately US\$468,271 in cash as settlement of the accrued but unpaid interest on the Existing NGL Notes up to but not including the Settlement Date, which will be settled on 29 September 2023.

(collectively, the “**Exchange Consideration**”)

The terms of the New NGL Notes will include a mandatory redemption obligation on the Issuer to redeem on the Early Payment Date, a principal amount of the New NGL Notes equivalent to 2% of the outstanding total principal amount of the New NGL Notes as of the Settlement Date at a redemption price equal to 100% of the principal amount of the New NGL Notes so redeemed plus accrued and unpaid interest, if any, to (but excluding) the Early Payment Date.

No cash consideration will be paid by the Purchaser under the NGL Notes Exchange.

INFORMATION ON THE NEW NGL NOTES

According to the Exchange Information Memorandum, the principal terms of the New NGL Notes are summarized below:

Issuer:	Northeast Gemini Limited
Guarantor:	Powerlong Real Estate Holdings Limited 寶龍地產控股有限公司
Issue Date:	The Settlement Date
Maturity Date:	28 August 2024
Interest:	6.50% per annum, payable in arrears semi-annually
Ranking:	<p>The New NGL Notes:</p> <ol style="list-style-type: none">(1) are general obligations of the Issuer;(2) are senior in right of payment to any existing and future obligations of the Issuer expressly subordinated in right of payment to the New NGL Notes;(3) rank and will rank at least pari passu in right of payment with respect to all unsecured, unsubordinated indebtedness of the Issuer (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law); and(4) are effectively subordinated to any secured obligations of the Issuer, to the extent of the value of the assets serving as security therefor.
Optional Redemption:	The Issuer has no option to redeem the New NGL Notes prior to the Maturity Date, other than pursuant to redemption for taxation reason as set forth in the Exchange Information Memorandum.

Repurchase Upon a Change of Control Triggering Event:	Upon the occurrence of a change of control as set forth in the Exchange Information Memorandum, the Issuer or the Guarantor will make an offer to repurchase all outstanding New NGL Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the repurchase date.
Early Payment:	Unless previously redeemed in full, on the Early Payment Date of 7 November 2023, the Issuer shall redeem, on a pro rata basis from the holders of the New NGL Notes, the New NGL Notes in the principal amount equal to 2% of the outstanding principal amount of the New NGL Notes as of the Settlement Date at a redemption price equal to 100% of the principal amount of the New NGL Notes so redeemed plus accrued and unpaid interest, if any, to (but excluding) the Early Payment Date.
Carve-outs to Events of Default:	The events of default provision under the New NGL Notes will carve out any of the indebtedness in respect of the Excluded Notes under the cross-default events, certain final judgments, involuntary bankruptcy proceedings and consents to the appointment of a receiver for all or substantially all of the property and assets of the Issuer, the Guarantor or any restricted subsidiary of the Guarantor.
Transfer Restriction:	The New NGL Notes will be subject to customary restrictions on transfer and resale.
Trustee, Paying Agent and Registrar:	China Construction Bank (Asia) Corporation Limited
Listing:	The New NGL Notes will not be listed.

INFORMATION ON THE ISSUER AND THE GUARANTOR

According to information provided to the Company by the Issuer and the Guarantor, which includes the Exchange Information Memorandum:

- (1) the Issuer is an exempted company incorporated under the laws of the Cayman Islands with limited liability. It is an orphan special purpose vehicle which was set up solely for the issuance of the notes. To the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the Issuer is wholly owned by Ogier Global Trustee (Cayman) Limited as trustee of Northeast Gemini (Cayman) Trust which was set up for charitable purpose and has no beneficiaries; and
- (2) the Guarantor is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The Guarantor is a well-known property developer in China specializing in the development and operation of high-quality, large-scale, integrated commercial and residential complexes.

As at the date of this announcement, to the best of the knowledge, information and belief of the Board, having made all reasonable enquiries, the Issuer, the Guarantor and their respective ultimate beneficial owners are Independent Third Parties.

INFORMATION ON THE COMPANY, THE GROUP AND THE PURCHASER

The Company is a company incorporated in Bermuda with limited liability and is an investment holding company.

The Group is principally engaged in the securities business, investment and financing and asset management and advisory business.

The Purchaser is a company incorporated in Hong Kong with limited liability and is a wholly owned subsidiary of the Company. It is principally engaged in investment and investment holding business.

REASONS FOR AND BENEFITS OF THE NGL NOTES EXCHANGE

The Board has considered the following factors regarding the NGL Notes Exchange:

- (1) an incentive fee will be received by the Purchaser on the Settlement Date and early repayment will be received by the Purchaser on the Early Payment Date;
- (2) the successful completion of the Guarantor's exchange of the 4.0% Senior Notes due 2022, the 7.125% Senior Notes due 2022, the 6.95% Senior Notes due 2023 as stated in its public announcement dated 7 July 2023;
- (3) the terms and conditions of the NGL Notes Exchange are comparatively more attractive to the investors when compared with those of its peers in recent notes exchange offers; and
- (4) as stated in the Exchange Information Memorandum, the Guarantor is committed to mitigating the effects of the recent adverse market conditions and are striving to meet its financial commitments by prudently utilizing its existing financial resources. As part of these efforts, the Issuer and the Guarantor have conducted certain liability management exercises in July 2022 with respect to their senior notes and are conducting the NGL Notes Exchange to extend their debt maturity profile and improve their cash flow management, which would be in the interest of all their stakeholders, including the holders of the Existing NGL Notes.

After taking into account the above, the Board is of the opinion that the terms of the NGL Notes Exchange are fair and reasonable and on normal commercial terms, and the NGL Notes Exchange is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest relevant applicable percentage ratio (as defined in the Listing Rules) in respect of the Acquisition exceeds 5% (but is less than 25%), the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

“Acquisition”	the acquisition of the New NGL Notes by the Purchaser in the principal amount of US\$14,250,000 pursuant to the NGL Notes Exchange
“Board”	the board of directors of the Company
“Company”	CMBC Capital Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1141)
“Early Payment Date”	7 November 2023
“Exchange Information Memorandum”	the exchange information memorandum issued by the Guarantor and the Issuer in relation to the NGL Notes Exchange dated 29 June 2023
“Excluded Notes”	the Existing NGL Notes, the 7.125% senior notes due 2022 issued by the Guarantor, the 4.0% senior notes due 2022 issued by the Guarantor, the 5.0% senior notes due 2022 issued by the Guarantor, and the 6.95% senior notes due 2023 issued by the Guarantor, each as amended or supplemented from time to time
“Existing NGL Notes”	6.50% senior notes due 2023 issued by the Issuer and guaranteed by the Guarantor
“Group”	the Company and its subsidiaries

“Guarantor”	Powerlong Real Estate Holdings Limited 寶龍地產控股有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1238)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	any entities or persons which or who are not connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Issuer” or “NGL”	Northeast Gemini Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“New NGL Notes”	6.50% senior notes due 2024 to be issued by the Issuer pursuant to the NGL Notes Exchange
“NGL Notes Exchange”	the exchange of the Existing NGL Notes held by the Purchaser into the New NGL Notes in accordance with the terms and conditions set forth in the Exchange Information Memorandum
“PRC”	the People’s Republic of China
“Purchaser”	CMBC Investment (HK) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Settlement Date”	30 August 2023 as amended in accordance with the terms and conditions set forth in the Exchange Information Memorandum
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent

By order of the Board
CMBC Capital Holdings Limited
Li Baochen
Chairman

Hong Kong, 3 August 2023

As at the date of this announcement, the executive Directors are Mr. Li Baochen, Mr. Li Ming and Mr. Ng Hoi Kam; the non-executive Directors are Mr. Yang Kunpeng and Mr. Li Wenshi, and the independent non-executive Directors are Mr. Lee, Cheuk Yin Dannis, Mr. Wu Bin and Mr. Wang Lihua.