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**Redsun Properties Group Limited**

**弘陽地產集團有限公司**

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

**(Stock Code: 1996)**

## **PROPOSED ISSUANCE OF SENIOR NOTES**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO. The Company is pleased to announce that it proposes to conduct an international offering of the Senior Notes.

Completion of the proposed issuance of the Senior Notes is subject to, among others, market conditions and investors' interests. The pricing of the Senior Notes will be determined through a book-building exercise conducted by China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, ABCI Capital Limited and CCB International Capital Limited as the joint global coordinators, joint lead managers and joint bookrunners, and BOCOM International Securities Limited, CMB International Capital Limited, China Merchants Securities (HK) Company Limited, Haitong International Securities Company Limited and SSIF Securities Limited as the joint lead managers and joint bookrunners. Upon finalizing the terms of the Senior Notes, the Company, the Subsidiary Guarantors, China International Capital

Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, ABCI Capital Limited, CCB International Capital Limited, BOCOM International Securities Limited, CMB International Capital Limited, China Merchants Securities (HK) Company Limited, Haitong International Securities Company Limited and SSIF Securities Limited are expected to enter into a purchase agreement in respect of the Senior Notes.

The Company intends to use the net proceeds of the Senior Notes to refinance existing indebtedness and general corporate purposes.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Senior Notes by way of debt issue to Professional Investors. Listing of the Senior Notes on the Stock Exchange is not to be taken as an indication of the merits of the Senior Notes or the Company.

**Considering no binding agreements regarding the Senior Notes have been entered into as of the date of this announcement, the Senior Notes may or may not materialize. Investors and Shareholders of the Company are therefore urged to exercise caution when dealing in the securities of the Company.**

Further announcements in respect of the Senior Notes will be made by the Company should the purchase agreement in respect of the Senior Notes be signed or as and when necessary.

## **PROPOSED ISSUANCE OF THE SENIOR NOTES**

### **Introduction**

The Company is pleased to announce that it proposes to conduct an international offering of the Senior Notes. Completion of the proposed issuance of the Senior Notes is subject to, among others, market conditions and investors' interests. The pricing of the Senior Notes, including the aggregate principal amount, the offer price and interest rate will be determined through a book-building exercise conducted by China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, ABCI Capital Limited and CCB International Capital Limited as the joint global coordinators, joint lead managers and joint bookrunners, and BOCOM International Securities Limited, CMB International Capital Limited, China Merchants Securities (HK) Company Limited, Haitong International Securities Company Limited and SSIF Securities Limited as the joint lead managers and joint bookrunners. Upon finalizing the terms of the Senior Notes, the Company, the Subsidiary Guarantors, China International Capital Corporation Hong Kong Securities Limited, Guotai Junan Securities (Hong Kong) Limited, ABCI Capital Limited, CCB International Capital Limited, BOCOM International

Securities Limited, CMB International Capital Limited, China Merchants Securities (HK) Company Limited, Haitong International Securities Company Limited and SSIF Securities Limited are expected to enter into a purchase agreement in respect of the Senior Notes.

The Senior Notes have not been, and will not be, registered under the Securities Act. The Senior Notes are being offered outside the United States in offshore transactions in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Senior Notes will be offered to the public in Hong Kong.

### **Use of Proceeds**

The Company intends to use the net proceeds of the Senior Notes to refinancing existing indebtedness and general corporate purposes.

### **Update of Certain Financial Information**

For the period from January 1, 2018 to October 31, 2018, our accumulated contract sales was RMB34.7 billion, an increase of 102% over the same period last year (RMB17.2 billion). In October 2018, our contracted sales was RMB3.4 billion, an increase of 21% over the same period last year (RMB2.8 billion). As of the date of this announcement, our total indebtedness increased by approximately 30% as compared to June 30, 2018, mainly due to project financings for our new development projects.

### **Listing**

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Senior Notes by way of debt issue to Professional Investors. Listing of the Senior Notes on the Stock Exchange is not to be taken as an indication of the merits of the Senior Notes or the Company.

**Considering no binding agreements regarding the Senior Notes have been entered into as of the date of this announcement, the Senior Notes may or may not materialize. Investors and Shareholders of the Company are therefore urged to exercise caution when dealing in the securities of the Company.**

Further announcements in respect of the Senior Notes will be made by the Company should the purchase agreement in respect of the Senior Notes be signed or as and when necessary.

## DEFINITIONS

|                            |  |
|----------------------------|--|
| “Board”                    | the board of Directors   |
| “Company”                  | Redsun Properties Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| “connected persons”        | has the meaning ascribed to it under the Listing Rules   |
| “Directors”                | the director(s) of the Company   |
| “Hong Kong”                | the Hong Kong Special Administrative Region of the PRC   |
| “Listing Rules”            | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited   |
| “PRC”                      | the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan              |
| “Professional Investor(s)” | has the meaning ascribed to it under the SFO   |
| “Securities Act”           | the U.S Securities Act of 1933, as amended   |
| “Senior Notes”             | the senior notes proposed to be issued by the Company  |
| “SFO”                      | the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong)   |
| “Shareholder(s)”           | the shareholder(s) of the Company  |
| “Stock Exchange”           | the Stock Exchange of Hong Kong Limited  |
| “Subsidiary Guarantors”    | Redsun Properties Investment (Holdings) Limited (弘陽地產投資(控股)有限公司) and Hong Yang Properties Investment Limited (弘陽地產投資有限公司)  |

“US\$”

United States dollars, the lawful currency of the United States of America

On behalf of the Board  
**Redsun Properties Group Limited**  
**Zeng Huansha**  
Chairman

Hong Kong, November 27, 2018

*As of the date of this announcement, Mr. Zeng Huansha and Mr. He Jie are the executive Directors; Mr. Jiang Daqiang, Mr. Zhang Liang and Mr. Zhang Hongwu are the non-executive Directors; and Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Auyeung Po Fung are the independent non-executive Directors.*