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LOGAN

龙光集团

Logan Group Company Limited

龍光集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3380)

PROPOSED ISSUE OF SENIOR NOTES

INTRODUCTION

The Board announces that the Company proposes to conduct an international offering of guaranteed U.S. Dollar denominated senior fixed rate notes.

Completion of the Proposed Notes Issue is subject to, among others, market conditions and investors' interest. The Notes are proposed to be guaranteed by the Subsidiary Guarantors. As at the date of this announcement, the principal amount, the interest rate, the payment date and certain other terms and conditions of the Proposed Notes Issue are yet to be finalised. Upon finalising the terms of the Notes, it is expected that Deutsche Bank, Guotai Junan International, China CITIC Bank International, Citigroup, CMBC Capital, BOC International, China Industrial Securities International, CCB International, Credit Suisse, UBS, Haitong International, The Bank of East Asia, Limited, BNP PARIBAS, the Subsidiary Guarantors and the Company will enter into the Purchase Agreement. The Company will make a further announcement in respect of the Proposed Notes Issue upon the signing of the Purchase Agreement.

The Notes and the Subsidiary Guarantees have not been, and will not be, registered under the Securities Act. The Notes and the Subsidiary Guarantees 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 Notes will be offered to the public in Hong Kong.

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 the Notes are not available to retail investors in the EEA or UK.

REASONS FOR THE PROPOSED NOTES ISSUE

The Group is principally engaged in property development, property investment and property construction in the PRC, focusing on the residential property market, and its products are primarily targeted at first-time homebuyers and upgraders. The Company believes demand from such customers is less susceptible to fluctuations in property prices and thus provides stability to the Group's business profile.

The Company intends to use the net proceeds of the Proposed Notes Issue for refinancing its existing indebtedness. The Company may adjust its plans in response to changing market conditions and, thus, reallocate the use of the net proceeds.

LISTING

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from 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 materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

“BNP PARIBAS”	BNP Paribas
“Board”	the board of Directors
“BOC International”	BOCI Asia Limited
“CCB International”	CCB International Capital Limited
“China CITIC Bank International”	China CITIC Bank International Limited
“China Industrial Securities International”	China Industrial Securities International Brokerage Limited
“Citigroup”	Citigroup Global Markets Limited

“CMBC Capital”	CMBC Securities Company Limited
“Company”	Logan Group Company 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
“Credit Suisse”	Credit Suisse (Hong Kong) Limited
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch
“Directors”	the directors of the Company
“EEA”	European Economic Area
“Group”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“Haitong International”	Haitong International Securities Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Notes”	the guaranteed U.S. Dollar denominated senior fixed rate notes to be issued by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement
“Proposed Notes Issue”	the proposed issue of the Notes by the Company
“Purchase Agreement”	the agreement proposed to be entered into by and among Deutsche Bank, Guotai Junan International, China CITIC Bank International, Citigroup, CMBC Capital, BOC International, China Industrial Securities International, CCB International, Credit Suisse, UBS, Haitong International, The Bank of East Asia, Limited, BNP PARIBAS, the Company and the Subsidiary Guarantors in relation to the Proposed Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“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”	the subsidiaries of the Company which guarantee the Notes
“U.S. Dollars” or “US\$”	United States dollar(s), the lawful currency of the United States
“UBS”	UBS AG Hong Kong Branch
“UK”	the United Kingdom
“United States”	the United States of America

By Order of the Board
Logan Group Company Limited
Kei Hoi Pang
Chairman

Hong Kong, 12 October 2020

As at the date of this announcement, the executive directors are Mr. Kei Hoi Pang, Mr. Lai Zhuobin, Mr. Xiao Xu and Mr. Wu Jian; the non-executive director is Ms. Kei Perenna Hoi Ting; and the independent non-executive directors are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca and Mr. Cai Suisheng.