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GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

**ISSUE OF US\$170 MILLION
14.25% SENIOR NOTES DUE 2023**

The Board is pleased to announce that the Company and the Subsidiary Guarantors have entered into the Purchase Agreement with the Initial Purchasers on June 29, 2020 in relation to the issue of US\$170 million 14.25% senior notes due 2023 by the Company.

The gross proceeds from the issue of the Notes will amount to US\$170 million. The Company intends to use the proceeds to refinance existing indebtedness, including any payment in connection with the Tender Offer for the 2021 USD Notes.

Applications will be made for the listing and quotation of the Notes on the SGX-ST. Admission of the Notes to the SGX-ST, or the approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies or the Notes.

The issue of the Notes is subject to completion. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

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THE PURCHASE AGREEMENT

Date: June 29, 2020

Parties to the Purchase Agreement

- (a) the Company as the issuer;
- (b) the Subsidiary Guarantors;
- (c) BOC International;
- (d) Guotai Junan International;

- (e) Haitong International;
- (f) CLSA;
- (g) HSBC;
- (h) Deutsche Bank;
- (i) HeungKong Financial;
- (j) Orient Securities (Hong Kong); and
- (k) Kaisa Financial Group.

BOC International, Guotai Junan International, Haitong International, CLSA, HSBC and Deutsche Bank are the joint global coordinators and BOC International, Guotai Junan International, Haitong International, CLSA, HSBC, Deutsche Bank, HeungKong Financial, Orient Securities (Hong Kong) and Kaisa Financial Group are the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes. BOC International, Guotai Junan International, Haitong International, CLSA, HSBC, Deutsche Bank, HeungKong Financial, Orient Securities (Hong Kong) and Kaisa Financial Group are also the Initial Purchasers of the Notes.

The Notes will be offered to professional investors only. The Notes and the Subsidiary Guarantees have not been, and will not be, registered under the Securities Act or any state securities law of the United States. The Notes are only being offered outside the United States in reliance on Regulation S under the Securities Act, and may not be offered or sold within the United States absent registration or exemption from the registration requirements of the Securities Act. None of the Notes will be offered to the public in Hong Kong.

Principal Terms of the Notes

Notes Offered

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate principal amount of US\$170 million. The Notes will mature on January 9, 2023, unless earlier redeemed or repurchased in accordance with the terms thereof.

Offering Price

The offering price of the Notes will be 100.00% of the principal amount of the Notes.

Interest

The Notes will bear interest at a rate of 14.25% per annum, payable in arrears on January 9, 2021, July 9, 2021, January 10, 2022, July 9, 2022 and January 9, 2023.

Ranking of the Notes

The Notes are general obligations of the Company and are guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors on a senior basis, subject to certain limitations. The Notes will (a) rank at least *pari passu* in right of payment with all unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (b) rank senior in right of payment to obligations of the Company expressly subordinated in right of payment to the Notes; (c) be effectively subordinated to the other secured obligations, if any (other than permitted *pari passu* secured indebtedness) of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor (other than certain collateral securing the Notes); and (d) be effectively subordinated to all obligations of the subsidiaries of the Company which are not providing guarantees under the Notes, and will not provide guarantees for the Notes.

Events of Default

The events of default under the Notes include, among others: (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise; (b) default in the payment of interest on any Notes when the same becomes due and payable, and such default continues for a period of seven days; (c) default in the performance or breach of the provisions of certain covenants under the Indenture, the failure by the Company to make or consummate an offer to purchase in the manner described in the Indenture, or the failure by the Company to create, or cause certain of its subsidiaries to create, first priority liens on the collateral (subject to permitted liens) in accordance with the relevant covenants described in the Indenture; (d) default by the Company or certain of its subsidiaries in the performance of or breaches any other covenant or agreement in the Indenture or under the Notes (other than a default specified in clause (a), (b) or (c) above) and such default or breach continues for a period of 30 consecutive days after written notice by the Trustee at the written direction of the holders of 25% or more in aggregate principal amount of the Notes; (e) there occurs with respect to any indebtedness of the Company or certain of its subsidiaries having an outstanding principal amount of RMB30.0 million or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall hereafter be created, (i) an event of default that has caused the holder thereof to declare such indebtedness to be due and payable prior to its stated maturity and/or (ii) the failure to make a principal payment when due; (f) any one or more final judgments or orders for the payment of money in excess of RMB30.0 million in the aggregate for all such final judgments or orders shall be rendered against the Company or certain of its subsidiaries and shall not be paid or discharged for a period of 60 consecutive days during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect; (g) involuntary bankruptcy or other proceedings are commenced against the Company or certain of its subsidiaries and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; (h) voluntary bankruptcy or insolvency proceedings are commenced by the Company or certain of its subsidiaries or consent to such similar action or effect any general assignment for the benefit of creditors; (i) any Subsidiary Guarantor or JV Subsidiary Guarantor denying or disaffirming its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee or JV Subsidiary Guarantee is determined to be unenforceable or invalid or for any reason cease to be in full force and effect; (j) default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the Intercreditor Agreement, the security documents provided under the Notes or the Indenture, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the collateral created under the Notes or which adversely affects the condition or value of such collateral, taken as a whole, in any material respect; or (k) the Company or any Subsidiary Guarantor Pledgor denying or disaffirming its obligations under the security documents provided under the Notes or, other than in accordance with the Indenture, the Intercreditor Agreement and the relevant security documents provided under the Notes, any such relevant security document ceasing to be or is not in full force and effect, or the Trustee ceases to have a first priority security interest in the collateral given under the Notes (subject to any permitted liens).

If an event of default (other than an event of default specified in (g) or (h) above) occurs and is continuing, the Trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company, may, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. If an event of default specified in (g) or (h) above occurs with respect to the Company or certain of its subsidiaries, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holder.

Covenants

The Notes, the Indenture governing the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees (if any) will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur or guarantee certain additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of certain of its subsidiaries;
- (e) guarantee indebtedness of the Company or certain of its subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict certain of its subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with its shareholders or affiliates; and
- (k) effect a consolidation or merger.

Optional Redemption

At any time and from time to time on or after January 10, 2022, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to 114.25% of the principal amount of such Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to January 10, 2022, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of such Notes plus the applicable premium as of, plus accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to January 10, 2022, the Company may at its option redeem up to 35% of the aggregate principal amount of the Notes with certain cash proceeds from equity offerings at a redemption price of 114.25% of the principal amount of the Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes originally issued on the Original Issue Date remains outstanding after each such redemption.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

Redemption of Notes at the Option of the Holders

Each Holder of the Notes has the right, at such Holder's option, to require the Company to repurchase for cash all of such Holder's Notes, or any portion of the principal amount thereof that is at least equal to US\$1,000 or an integral multiple of US\$1,000 on January 10, 2022 at the repurchase price equal to 100% of the principal amount of the Notes to be repurchased, plus accrued and unpaid interest to, but excluding the Put Settlement Date.

REASONS FOR THE NOTES ISSUE

The gross proceeds from the issue of the Notes will amount to US\$170 million. The Company intends to use the proceeds to refinance existing indebtedness, including any payment in connection with the Tender Offer for the 2021 USD Notes.

LISTING AND RATING

Applications will be made for the listing and quotation of the Notes on the SGX-ST. A confirmation of the eligibility of the listing of the Notes has been received from the SGX-ST. Admission of the Notes to the SGX-ST, or the approval in-principle for the listing and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies or the Notes.

The Notes are expected to be rated “B2” by Moody’s Investors Service, Inc. and “B+” by Lianhe Ratings Global Limited.

GENERAL

The issue of the Notes is subject to completion. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“2021 USD Notes”	the 7.00% senior notes due 2021 issued by the Company on January 18, 2018, March 5, 2019 and September 27, 2019;
“Board”	the board of Directors;
“BOC International”	BOCI Asia Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the issue of the Notes;
“CLSA”	CLSA Limited, one of the joint global coordinators, the joint bookrunners and joint lead managers in respect of the issue of the Notes;

“Company”	Golden Wheel Tiandi Holdings 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 of Hong Kong Limited;
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch, one of the joint global coordinators, the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Directors”	the directors of the Company;
“Global Security Agent”	DB Trustees (Hong Kong) Limited;
“Group”	the Company and its subsidiaries;
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the issue of the Notes;
“Haitong International”	Haitong International Securities Company Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the issue of the Notes;
“HeungKong Financial”	HeungKong Securities Limited, one of the joint bookrunners and joint lead managers in respect of the issue of the Notes;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited, one of the joint global coordinators, joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;

“Indenture”	the agreement among the Company, the Subsidiary Guarantors, the Trustee and the Global Security Agent, that specifies the terms of the Notes including the covenants, events of default, interest rate of the Notes and the maturity date;
“Initial Purchasers”	BOC International, Guotai Junan International, Haitong International, CLSA, HSBC, Deutsche Bank, HeungKong Financial, Orient Securities (Hong Kong) and Kaisa Financial Group;
“Intercreditor Agreement”	the intercreditor agreement dated 2 September 2013 made between, amongst other, the Company, the Subsidiary Guarantor Pledgors, DB Trustees (Hong Kong) Limited, as global security agent and certain other parties thereto (as may be amended or supplemented from time to time, including the accession by DB Trustees (Hong Kong) Limited, as trustee of the 2021 USD Notes on January 18, 2018, March 5, 2019 and September 27, 2019), to which the Trustee will accede as a secured party thereunder;
“JV Subsidiary Guarantee”	limited recourse guarantee given by the JV Subsidiary Guarantors on the Notes;
“JV Subsidiary Guarantor”	each subsidiary of the Company which in the future provides a JV Subsidiary Guarantee;
“Kaisa Financial Group”	Kaisa Financial Group Company Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;
“Notes”	the US\$170 million 14.25% senior notes due 2023 to be issued by the Company;
“Orient Securities (Hong Kong)”	Orient Securities (Hong Kong) Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue;

“Original Issue Date”	July 9, 2020;
“PRC”	the People’s Republic of China, excluding Hong Kong, Macau Special Administrative Region and Taiwan for the purpose of this announcement;
“Purchase Agreement”	the agreement entered into between, among others, the Initial Purchasers, the Company and the Subsidiary Guarantors in relation to the Notes on June 29, 2020;
“Put Settlement Date”	January 10, 2022;
“RMB”	Renminbi, the lawful currency of the PRC;
“Securities Act”	the United States Securities Act 1933, as amended;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Subsidiary Guarantees”	guarantees given by the Subsidiary Guarantors of the Notes;
“Subsidiary Guarantor Pledgors”	certain Subsidiary Guarantors that on the issue date of the Notes will provide charges over their stock in certain Subsidiary Guarantors of the Company held by them to secure the Company’s obligations under the Indenture and the Notes and of such Subsidiary Guarantor under its guarantee provided to Notes will provide guarantees to secure the Company’s obligations under the Notes;
“Subsidiary Guarantors”	the subsidiaries of the Company that on the issue date of the Notes will provide guarantees to secure the Company’s obligations under the Notes;
“Tender Offer”	the purchase of any and all of the Company’s outstanding 2021 USD Notes, as further described in the announcement made by the Company dated June 29, 2020;
“Trustee”	DB Trustees (Hong Kong) Limited;

“United States” the United States of America;

“US\$” or “US dollar” the lawful currency of the United States;
or “USD”

“%” per cent.

By Order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, June 30, 2020

As at the date of this announcement, the Board of Directors of the Company consists of Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung, and Mr. Janata David as Executive Directors; Mr. Suwita Janata and Mr. Gunawan Kiky as Non-executive Directors; Mr. Wong Ying Loi, Mr. Lie Tak Sen, Mr. Wong Cho Kei, Bonnie and Mr. Li Sze Keung as Independent Non-executive Directors.