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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 (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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 to be conducted by the joint global coordinators, the joint bookrunners and the joint lead managers in respect of the proposed issuance of the Senior Notes. Upon finalizing the terms of the Senior Notes, the Company, the Subsidiary Guarantors, the joint global coordinators, the joint bookrunners and the joint lead managers in respect of the proposed issuance of the Senior Notes will enter into a purchase agreement in respect of the Senior Notes.

The Company intends to use the net proceeds of the Senior Notes for refinancing 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 only. 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.

As no binding agreement regarding the Senior Notes has been entered into as of the date of this announcement, the issuance of 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.

PROPOSED ISSUANCE OF 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 to be conducted by the joint global coordinators, the joint bookrunners and the joint lead managers in respect of the proposed issuance of the Senior Notes. Upon finalizing the terms of the Senior Notes, the Company, the Subsidiary Guarantors, the joint global coordinators, the joint bookrunners and the joint lead managers in respect of the proposed issuance of the Senior Notes will 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 and none of the Senior Notes will be placed to any connected persons of the Company.

Use of Proceeds

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

Listing and Rating

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 only. 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.

The Senior Notes are expected to be rated “B” by Fitch and “BB-” by Lianhe Global. These ratings do not constitute a recommendation to buy, sell or hold the Senior Notes and may be subject to suspension, reduction or withdrawal at any time by Fitch or Lianhe Global.

As no binding agreement regarding the Senior Notes has been entered into as of the date of this announcement, the issuance of 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.

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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 directors of the Company
“Fitch”	Fitch Ratings, Inc. and its affiliates
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lianhe Global”	Lianhe Ratings Global Limited and its successors
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Securities Act”	the United States Securities Act of 1933, as amended
“Senior Notes”	the senior notes proposed to be issued by the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“Subsidiary
Guarantors” certain subsidiaries of the Company which will on the issue date of the Senior Notes provide guarantees to secure the Company’s obligations under the Senior Notes

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

Hong Kong, 8 April 2019

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.