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CIFI Holdings (Group) Co. Ltd.
旭輝控股(集團)有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00884)

**PROPOSED ISSUE OF
HK\$2,790 MILLION ZERO COUPON GUARANTEED
CONVERTIBLE BONDS DUE 2019 UNDER GENERAL MANDATE**

Joint Global Coordinators

Morgan Stanley

CREDIT SUISSE

Joint Bookrunners

Morgan Stanley

CREDIT SUISSE



The Board is pleased to announce that the Company has entered into the Subscription Agreement, under which the Managers have agreed severally and not jointly to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Firm Bonds to be issued by the Company in an aggregate principal amount of HK\$2,790,000,000, on the terms and subject to the conditions set out therein. In addition, prior to the Publication Date, the Company and the Managers may mutually agree to enter into the Upsize Side Agreement pursuant to which the Managers have agreed severally and not jointly to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Upsize Bonds to be issued by the Company in a maximum principal amount of HK\$304,000,000.

Assuming full conversion of the Firm Bonds (and assuming that the Upsize Bonds are not converted) at the initial Conversion Price of HK\$9.30 per Share, the Firm Bonds will be convertible into 300,000,000 Shares, representing approximately 3.95% of the issued share capital of the Company as at the date of this announcement and approximately 3.80% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Firm Bonds. Assuming full conversion of the Bonds (and assuming that the Upsize Bonds are fully converted) at the Conversion Price of HK\$9.30 per Share, the Bonds will be convertible into approximately 332,700,000 Shares, representing approximately 4.38% of the issued share capital of the Company as at the date of this announcement and approximately 4.19% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Bonds. The Conversion Shares to be issued upon conversion of the Bonds will rank pari passu in all respects with the Shares then in issue on the relevant Conversion Date.

The Bonds shall at all times rank pari passu and without any preference or priority among themselves.

The Bonds have not been offered or sold and may not be offered or sold in Hong Kong to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong.

The Bonds and the Conversion Shares have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Bonds are being offered and sold outside the United States to any non-U.S. persons in reliance on Regulation S under the Securities Act.

The estimated net proceeds from the Subscription of the Firm Bonds, after deduction of commission (and assuming the payment of a discretionary incentive fee) and expenses, amount to approximately HK\$2,750,000,000. The Company intends to use the net proceeds from the Subscription primarily for repayment of existing debt and general working capital of the Group.

The Conversion Shares are to be issued under the General Mandate. The issue of the Bonds is not subject to the approval of the Shareholders.

An application will be made by the Company to the SGX-ST for the listing of the Bonds on the SGX-ST and an application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange.

Admission to the official list of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, the Bonds or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this announcement.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” below for further information.

WARNING: As the Subscription Agreement may or may not complete, and the Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE SUBSCRIPTION AGREEMENT

Date

25 January 2018

Parties

- (i) the Company as issuer; and
- (ii) Morgan Stanley, Credit Suisse and Haitong International as Managers.

Subscription

Pursuant to the Subscription Agreement, the Managers have agreed severally and not jointly to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Firm Bonds to be issued by the Company in an aggregate principal amount of HK\$2,790,000,000, on the terms and subject to the conditions set out therein. In addition, prior to the Publication Date, the Company and the Managers may mutually agree to enter into the Upsize Side Agreement pursuant to which the Managers have agreed severally and not jointly to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Upsize Bonds to be issued by the Company in a maximum principal amount of HK\$304,000,000.

To the best of the Directors' knowledge, information and belief, the Managers are third parties independent of the Company and are not connected with the Company and its connected persons (as defined in the Listing Rules).

Subscribers

The Managers have informed the Company that they intend to offer and sell the Bonds to no less than 6 independent placees (who will be independent individual, corporate and/or institutional investors). To the best of the Directors' knowledge, information and belief as at the date of his announcement, each of the placees of the Bonds (and their respective ultimate beneficial owners) will be third parties independent of the Company and are not connected with the Company and its connected persons (as defined in the Listing Rules).

Conditions to the Managers' Obligations for the Subscription

The obligations of the Managers to subscribe and pay for the Bonds are subject to, among others, the following conditions precedent:

- (a) no downgrading or possible change in the rating accorded the Company or any of the Company's securities by any "nationally recognized statistical rating organization," as such term is defined in Section 3(a)(62) of the Securities Exchange Act of 1934, as amended;
- (b) there shall not have occurred any change, or any development involving a prospective change, in the condition, financial or otherwise, or in the earnings, business or operations of the Group, taken as a whole, in the judgment of the Managers, is material and adverse and that makes it, in the judgment of the Managers, impracticable to market the Bonds on the terms and in the manner contemplated in the Offering Circular;
- (c) the Company having received the approval from the Stock Exchange for the listing of, and the permission to deal in, the Conversion Shares on the Stock Exchange; and
- (d) the Company having received the approval-in-principal from the SGX-ST for the listing of, and the permission to deal in, the Bonds.

Lock-Up

Each of Rosy Fortune and Ding Chang jointly and severally undertakes to the Managers that, for a period from the date of the Subscription Agreement up to 90 calendar days 25 January 2018 (both dates inclusive), neither it nor any of its subsidiaries (if applicable) or affiliates or spouse (if applicable) or family members (if applicable) over which it exercises management or voting control, nor any person acting on its or their behalf will, without the prior written consent of the Managers, (a) issue, offer, sell, and it shall procure such entities to not, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Lock-up Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Lock-up Shares or other instruments representing interests in the Lock-up Shares, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Lock-up Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Lock-up Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing.

Restrictions

Neither the Company, the Subsidiary Guarantors, nor any person acting on their behalf will (a) issue, offer, sell, pledge, contract to sell or otherwise dispose of or grant options, issue warrants or offer rights entitling persons to subscribe or purchase any interest in any Shares or any securities issued or guaranteed by the Company or the Subsidiary Guarantors that are substantially similar to the Bonds or the Shares or any securities convertible into, exchangeable for or which carry rights to subscribe or purchase the Bonds, the Shares or securities of the same class as the Bonds, the Shares or other instruments representing interests in the Bonds, the Shares or other securities of the same class as them, (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of the ownership of the Shares, (c) enter into any transaction with the same economic effect as, or which is designed to, or which may reasonably be expected to result in, or agree to do, any of the foregoing, whether any such transaction of the kind described in (a), (b) or (c) is to be settled by delivery of Shares or other securities, in cash or otherwise or (d) announce or otherwise make public an intention to do any of the foregoing, in any such case without the prior written consent of the Manager between the date hereof and the date which is 90 calendar days after 25 January 2018 (both dates inclusive) except for (i) the Bonds and the Conversion Shares and (ii) the Shares issued or options to purchase Shares issued to employees of the Company or the subsidiaries of the Company under employee stock option plans.

Termination of the Subscription Agreement

The Managers may terminate the Subscription Agreement by notice given by the Managers to the Company, if after the execution and delivery of this Agreement and prior to the Closing Date (a) trading generally shall have been suspended or materially limited on, or by, as the case may be, any of the New York Stock Exchange, the American Stock Exchange, the Nasdaq Global Select Market, the London Stock Exchange, the Stock Exchange or the Singapore Exchange Securities Trading Limited, (b) trading of any securities of the Company shall have been suspended on any exchange or in any over-the-counter market, (c) a material disruption in securities settlement, payment or clearance services in the United States, London, Hong Kong or Singapore shall have occurred, (d) any moratorium on commercial banking activities shall have been declared by the United States, New York State, London, Hong Kong or Singapore authorities or (e) there shall have occurred any outbreak or escalation of hostilities, or any change in financial markets, currency exchange rates or controls or any calamity or crisis that, in the judgment of the Managers, is material and adverse and which, individually or together with any other specified event in the Subscription Agreement, makes it, in the judgment of the Managers, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Offering Circular.

PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds are summarised as follows:

Issuer	The Company
Denomination:	HK\$2,000,000 each and integral multiples of HK\$1,000,000 in excess thereof.
Issue Price:	100% of the principal amount.
Issue Size:	HK\$2,790,000,000 (approximately US\$357 million).
Upsize Bonds:	Up to HK\$304,000,000 (approximately US\$39 million), to be potentially issued and subscribed to by an existing shareholder only.
Coupon:	Zero.
Maturity Date:	12 February 2019 (363 days from the Closing Date).
Yield to Maturity:	1.5% per annum, calculated on a semi-annual basis.
Guarantee:	The Bonds will be guaranteed by the Subsidiary Guarantors on a pari passu basis with the obligations of the Company under the existing indebtedness of the Company.
Initial Conversion Price:	HK\$9.30 per Share, representing: <ul style="list-style-type: none">(i) a premium of 30.07% to the closing price of HK\$7.15 per Share as quote on the Stock Exchange on the Last Trading Day;(ii) a premium of 33.81% to the average closing price of approximately HK\$6.95 per Share for the last 5 consecutive trading days up to and including the Last Trading Day; and(iii) a premium of 42.42% to the average closing price of HK\$6.53 per Share for the last 10 consecutive trading days up to and including the Last Trading Day.

The Conversion Price is subject to adjustment upon the occurrence of certain prescribed events namely, consolidation, subdivision or reclassification of shares, capitalization of profits or reserves, distributions, rights issues or options over Shares, issuance of or options, rights or warrants to acquire Shares at less than 95% of the market price, issuance of securities convertible or exchangeable for Shares, modification of rights of conversion and certain other dilutive events as set out in the Conditions.

Initial Conversion Ratio:	215,054 Shares per HK\$2,000,000 principal amount of the Bonds at the Initial Conversion Price.
Conversion Period:	Convertible into the Shares at the election of the bondholders at any time starting from 41 days after the Closing Date to 10 days before the Maturity Date.
Redemption Price at Maturity:	101.5% of the principal amount.
Conversion Premium:	30% over the Reference Share Price.
Reference Share Price:	HK\$7.15 per Share (as of market close on 25 January 2018).
Redemption at the Option of the Issuer:	<ul style="list-style-type: none"> • Tax Call – callable anytime in whole but not in part, at the amount which represents a gross yield of 1.5% per annum for each principal amount of Bonds, calculated on a semi-annual basis from the Closing Date up to the redemption date (the “Early Redemption Amount”). Bondholders have the right to elect for the Bonds not to be redeemed but with no entitlement to any additional tax amounts • Clean Up Call – callable anytime in whole but not in part at the Early Redemption Amount, if conversion rights shall have been exercised and/or purchases and/or redemptions effected in respect of 90% or more in aggregate principal amount of the Bonds originally issued (including any Upsize Bonds)
Negative Pledge:	Applicable to the Company and all of its subsidiaries (as defined in the Conditions) on Relevant Indebtedness (as defined in the Conditions).
Adjustment upon Change of Control:	If a Change of Control shall occur, the Company shall give notice of that fact to the Bondholders (the “ Change of Control Notice ”) within 14 days after it becomes aware of such Change of Control. Following the giving of a Change of Control Notice, upon any exercise of conversion rights such that the relevant conversion date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the “ Change of Control Conversion Period ”), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times c/t)}$$

Where:

“NCP” means the new Conversion Price

“OCP” means the Conversion Price in effect on the relevant Conversion Date

“CP” means 30% expressed as a fraction

“c” means the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date

“t” means the number of days from and including the issue date to but excluding the Maturity Date

Lock-up: 90 days from 25 January 2018 for the Company, Rosy Fortune and Ding Chang.

Transferability: The Bonds are transferable.

GENERAL MANDATE TO ISSUE THE CONVERSION SHARES

The issue of the Bonds and the Conversion Shares is not subject to Shareholders' approval. The Conversion Shares will be issued pursuant to the General Mandate, subject to the original limit of up to 1,351,204,320 Shares (representing 20% of the issued share capital of the Company on the date on which the General Mandate was granted). As at the date of this announcement, the General Mandate has not been previously utilized. The issue of the Conversion Shares fall within the limit of the General Mandate and is not subject to the approval of the Shareholders.

Assuming full conversion of the Firm Bonds (and assuming that the Upsize Bonds are not converted) at the initial Conversion Price of HK\$9.30 per Share, the Firm Bonds will be convertible into 300,000,000 Shares, representing approximately 3.95% of the issued share capital of the Company as at the date of this announcement and approximately 3.80% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Firm Bonds. Assuming full conversion of the Bonds (and assuming that the Upsize Bonds are fully converted) at the Conversion Price of HK\$9.30 per Share, the Bonds will be convertible into approximately 332,700,000 Shares, representing approximately 4.38% of the issued share capital of the Company as at the date of this announcement and approximately 4.19% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares resulting from the full conversion of the Bonds. The Conversion Shares to be issued upon conversion of the Bonds will rank pari passu in all respects with the Shares then in issue on the relevant Conversion Date. The Conversion Shares have a nominal value of HK\$33,270,000 and a market value of HK\$2,378,805,000, based on the closing price of HK\$7.15 on the Last Trading Date. The net price of each Conversion Share to the Company based on the estimated net proceeds of approximately HK\$2,750,000,000 and 300,000,000 Conversion Shares resulting from the conversion of the Firm Bonds, is estimated to be approximately HK\$9.17.

APPLICATION FOR LISTING

An application will be made by the Company to the SGX-ST for the listing of the Bonds on the SGX-ST and an application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange. Admission to the official list of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors or any other subsidiary or associated company of the Company, the Bonds or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this announcement.

Completion of the Subscription Agreement is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Subscription Agreement may be terminated in certain circumstances. Please refer to the paragraph headed “THE SUBSCRIPTION AGREEMENT” above for further information.

WARNING: As the Subscription Agreement may or may not complete, and the Bonds and/or the Conversion Shares may or may not be issued or listed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR AND THE BENEFITS OF THE SUBSCRIPTION

The Company is headquartered in Shanghai and engaged in the development of properties in first – and second-tier cities in the PRC. The Company’s development projects cover various property types including residential, office and commercial complexes. The Company’s residential property development projects are primarily focused on developing residential products that offer end-users comfortable living environments and proximity to good ancillary facilities and transportation links. The Company’s commercial property development projects are primarily focused on developing offices and community commercial properties.

The Company intends to use the net proceeds from the Subscription primarily for repayment of existing debt and general working capital of the Group. The Issue Price and the Conversion Price were arrived at after arm’s length negotiations between the parties to the Subscription Agreement with reference to the prevailing trading prices of the Shares and the financial conditions of the Company. The Directors are of the view that the issue of the Bonds can provide the Company with additional funds at lower funding cost for the said purposes. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreement (including the Upsize Side Agreement) and the Conditions are made on normal commercial terms and are fair and reasonable as far as the Shareholders are concerned, and the issue of the Bonds is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below is a summary of the equity fund raising activities of the Company during the past 12 months immediately before the date of this announcement:

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use proceeds	Actual use of proceeds (as at the date of this announcement)
28 July 2017	The placing of 135,000,000 Shares by Ding Chang and the top-up subscription of 135,000,000 new Shares by the Ding Chang	HK\$500,000,000	For general working capital of the Group	Used as intended.
27 July 2017	The subscription of 545,000,000 new Shares by Ping An of China Asset Management (Hong Kong) Company Limited at a price of HK\$3.50 per each new Share	HK\$1,907,000,000	For the Company's development and/or for general working capital of the Group	All used for general working capital of the Group.

Save as disclosed above, the Company has not carried out any equity fund raising activities in the past twelve months immediately before the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE

The Conversion Shares to be issued upon conversion of the Bonds will rank *pari passu* in all respects with the Shares then in issue on the relevant Conversion Date.

The following table illustrates (1) the existing shareholding structure as at the date of this announcement; (2) the shareholding structure assuming the Firm Bonds are fully converted into Conversion Shares at the initial Conversion Price of HK\$9.30 each (and the Upsize Bonds have not been converted); and (3) the shareholding structure assuming the Firm Bonds and the Upsize Bonds are fully converted into Conversion Shares at the initial Conversion Price of HK\$9.30 each; on the assumptions that (a) there will be no other change to the share capital of the Company from the date of this announcement until the completion of the conversion of the Bonds in full, save for the issue of the Conversion Shares as a result of the conversion of the Bonds in full (as the case may be); and (b) the Bondholders do not and will not hold any Shares other than the Conversion Shares as a result of the conversion of the Bonds.

Shareholder	As at the date of this announcement		Assuming the Firm Bonds are fully converted into Conversion Shares at the initial Conversion Price		Assuming the Firm Bonds and the Upsize Bonds are fully converted into Conversion Shares at the initial Conversion Price	
	No. of Shares	% of issued share capital of the Company	No. of Shares	% of enlarged share capital of the Company	No. of Shares	% of enlarged share capital of the Company
Rosy Fortune (Note 1)	2,275,855,975	29.95%	2,275,855,975	28.81%	2,275,855,975	28.69%
Ding Chang (Note 2)	1,180,177,671	15.53%	1,180,177,671	14.94%	1,180,177,671	14.88%
Eminent Talent (Note 3)	651,952,559	8.58%	651,952,559	8.25%	651,952,559	8.22%
Rain-Mountain (Note 4)	205,670,580	2.70%	205,670,580	2.60%	205,670,580	2.59%
LIN Zhong (Note 5)	6,766,000	0.09%	6,766,000	0.09%	6,766,000	0.09%
CHEN Dongbiao (Note 6)	13,718,000	0.18%	13,718,000	0.17%	13,718,000	0.17%
YANG Xin (Note 7)	4,998,254	0.07%	4,998,254	0.06%	4,998,254	0.06%
ZHANG Yongyue (Note 8)	700,000	0.01%	700,000	0.01%	700,000	0.01%
TAN Wee Seng (Note 9)	600,000	0.01%	600,000	0.01%	600,000	0.01%
Ping An Life Insurance Company of China, Ltd. and its associates (Note 10)	746,654,000	9.82%	746,654,000	9.45%	779,354,000	9.83%
Public	2,512,517,892	33.06%	2,512,517,892	31.81%	2,512,517,892	31.68%
Bondholders	-	0.00%	300,000,000	3.80%	300,000,000	3.78%
	<u>7,599,610,931</u>	<u>100.00%</u>	<u>7,899,610,931</u>	<u>100.00%</u>	<u>7,932,310,931</u>	<u>100.00%</u>

Notes:

- (1) Rosy Fortune is wholly held by LIN's Family Trust, which is a family trust jointly set up by Mr. LIN Zhong, Mr. LIN Wei and Mr. LIN Feng, being the executive Directors, as settlors. Mr. LIN Zhong, Mr. LIN Wei and Mr. LIN Feng are brothers and the founders of the Group.
- (2) Ding Chang is wholly held by Sun Success Trust, which is a family trust set up by Mr. LIN Zhong, being an executive Director, as settlor.
- (3) Eminent Talent is wholly held by Mr. LIN Wei, being an executive Director.
- (4) Rain-Mountain is wholly held by Sun-Mountain Trust, which is a family trust set up by Mr. LIN Feng, being an executive Director, as settlor.
- (5) These Shares are held by Mr. LIN Zhong, an executive Director, as beneficial owner.
- (6) These Shares are held by Mr. CHEN Dongbiao, an executive Director, as beneficial owner.
- (7) These Shares are held by Mr. YANG Xin, an executive Director, and his associate as beneficial owners.
- (8) These Shares are held by Mr. ZHANG Yongyue, an independent non-executive Director, as beneficial owner.
- (9) These Shares are held by Mr. TAN Wee Seng, an independent non-executive Director, as beneficial owner.
- (10) These Shares are held by Ping An Life Insurance Company of China, Ltd. and its associates.

PROPOSED USE OF NET PROCEEDS

The estimated net proceeds from the Subscription of the Firm Bonds, after deduction of commission (and assuming the payment of a discretionary incentive fee) and expenses, amount to approximately HK\$2,750,000,000. The Company intends to use the net proceeds from the Subscription primarily for repayment of existing debt and general working capital of the Group.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings when used herein:

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|---------------------|--|
| “Board” | the board of Directors |
| “Bonds” | the Firm Bonds and the Upsize Bonds |
| “Bondholder(s)” | holder(s) of the Bond(s) from time to time |
| “Change of Control” | the occurrence of one or more of the following events: <ol style="list-style-type: none">(1) the merger, amalgamation or consolidation of the Company with or into another person (other than one or more Permitted Holders) or the merger or amalgamation of another person (other than one or more Permitted Holders) with or into the Company, or the sale of all or substantially all the assets of the Company to another person;(2) the Permitted Holders are the beneficial owners of less than 40.0% of the total voting power of the Voting Stock of the Company;(3) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the U.S. Exchange Act) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the U.S. Exchange Act), directly or indirectly, of total voting power of the Voting Stock of the Company greater than such total voting power held beneficially by the Permitted Holders;(4) individuals who on the original issue date constituted the board of directors of the Company, together with any new directors whose election by the board of directors was approved by a vote of at least two-thirds of the directors then still in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Company then in office; or |

(5) the adoption of a plan relating to the liquidation or dissolution of the Company.

“Closing Date”	14 February 2018, or such other date as agreed between the Company and the Managers
“Company”	CIFI Holdings (Group) Co. Ltd. (旭輝控股(集團)有限公司), an exempted 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: 0884)
“Conditions”	the terms and conditions in relation to the Bonds
“Conversion Date”	the conversion date in respect of the Bonds
“Conversion Price”	the price per Share at which the Shares will be issued upon conversion of the Bonds and the initial conversion price being HK\$9.30 per Conversion Share (subject to adjustments)
“Conversion Share(s)”	the Share(s) to be issued by the Company upon conversion of the Firm Bonds and/or the Upsize Bonds
“Credit Suisse”	Credit Suisse (Hong Kong) Limited, one of the Joint Global Coordinators, Joint Bookrunners and Managers for the Bonds
“Ding Chang”	Ding Chang Limited (鼎昌有限公司), a company incorporated in the British Virgin Islands with limited liability and is a substantial shareholder of the Company
“Director(s)”	director(s) of the Company
“Eminent Talent”	Eminent Talent Limited (卓駿有限公司), a company incorporated in the British Virgin Islands with limited liability and is a substantial shareholder of the Company
“Firm Bonds”	convertible bonds with an initial aggregate principal amount of HK\$2,790,000,000 due 2019 to be issued by the Company pursuant to the Subscription Agreement
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 21 April 2017
“Group”	the Company and its subsidiaries
“Haitong International”	Haitong International Securities Company Limited, one of the Joint Bookrunners and Managers for the Bonds

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Joint Bookrunners”	Morgan Stanley, Credit Suisse and Haitong International
“Joint Global Coordinators”	Morgan Stanley and Credit Suisse
“Last Trading Day”	25 January 2018
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Lock-up Shares”	3,456,033,646 Shares, representing approximately 45.67% of the Shares of the Company
“Managers”	Morgan Stanley, Credit Suisse and Haitong International
“Maturity Date”	12 February 2019, being the date on which the Bonds mature
“Morgan Stanley”	Morgan Stanley & Co. International plc, one of the Joint Global Coordinators, Joint Bookrunners and Managers for the Bonds
“Offering Circular”	the offering circular to be issued by the Company in respect of the Bonds and the listing of the Bonds on the SGX-ST
“Permitted Holders”	any or all of the following: <ul style="list-style-type: none"> (1) (x) Mr. Lin Zhong, Mr. Lin Wei and Mr. Lin Feng, (y) Beauty Fountain Holdings Limited, Eternally Success International Limited and Gentle Beauty Assets Limited and (z) any family trust set up by any Person listed in sub-clause (x) of this clause (1); (2) any affiliate of persons specified in clause (1); and (3) any person both the capital stock and the voting stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by persons specified in clauses (1) and (2)
“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan

“Publication Date”	the date of the Offering Circular, which shall be no later than three business days prior to the Closing Date or such other date as may be agreed between the Company and the Managers
“Rain-Mountain”	Rain-Mountain Limited, a company incorporated in the British Virgin Islands with limited liability
“Regulation S”	Regulation S under the US Securities Act
“Rosy Fortune”	Rosy Fortune Investments Limited (茂福投資有限公司), a company incorporated in the British Virgin Islands with limited liability
“Securities Act”	the US Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	the subscribers to the Bonds
“Subscription”	the subscription and issue of the Bonds pursuant to the Subscription Agreement
“Subscription Agreement”	a conditional subscription agreement dated 25 January 2018 entered into between the Company, the Subsidiary Guarantors and the Managers in relation to, among other things, the Subscription
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors in respect of the Bonds
“Subsidiary Guarantors”	certain existing subsidiaries of the Company which guarantee the Bonds
“Upsize Bonds”	the additional convertible bonds to be issued by the Company to the Managers pursuant to the Upsize Side Agreement
“Upsize Side Agreement”	a side agreement to be entered into between the Company and the Managers in relation to the subscription of the Upsize Bonds
“US\$”	the United States dollars, the lawful currency of the United States of America

“Voting Stock” with respect to any person, capital stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such person

“%” per cent.

By Order of the Board
CIFI Holdings (Group) Co. Ltd.
LIN Zhong
Chairman

Hong Kong, 26 January 2018

As at the date of this announcement, the Board comprises Mr. LIN Zhong, Mr. LIN Wei, Mr. LIN Feng, Mr. CHEN Dongbiao and Mr. YANG Xin as executive Directors; Mr. ZHOU Yimin as non-executive Director; and Mr. GU Yunchang, Mr. ZHANG Yongyue and Mr. TAN Wee Seng as independent non-executive Directors.