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## **HUIJING HOLDINGS COMPANY LIMITED**

**滙景控股有限公司**

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

**(Stock code: 9968)**

**Sole Placing Agent**



## **ISSUANCE OF US\$110 MILLION 12.5% SENIOR NOTES DUE 2021**

On 3 August 2020, the Company and the Subsidiary Guarantors entered into the Subscription and Placing Agreements with, among others, CMBI in connection with the issue of the Notes in the aggregate principal amount of US\$110 million 12.5% senior notes due 2021.

The Notes will be offered outside the United States in reliance on Regulation S under the U.S. Securities Act. The Company intends to use the proceeds from the Proposed Notes Issue to refinance certain indebtedness and for other general corporate purposes.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. Admission of the Notes 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 or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. No listing of the Notes has been sought in Hong Kong.

The Board is pleased to announce that on 3 August 2020, the Company and the Subsidiary Guarantors entered into the Subscription and Placing Agreements with, among others, CMBI in connection with the Proposed Notes Issue in the aggregate principal amount of US\$110 million.

## **THE SUBSCRIPTION AND PLACING AGREEMENTS**

Date: 3 August 2020

Parties: (a) the Company as the issuer;

(b) the Subsidiary Guarantors as the guarantors of the Company's obligations under the Notes;

(c) CMBI, as the sole placing agent (the "Placing Agent"); and

(d) two subscribers

CMBI is the sole placing agent in respect of the offer and sale of the Notes. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of CMBI and the abovementioned two subscribers is an independent third party and not a connected person of the Company and its connected persons (as defined under the Listing Rules).

The Notes will be offered outside the United States in reliance on Regulation S under the U.S. Securities Act. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed to any connected person of the Company.

### **Principal terms of the Notes**

The following is a summary of certain provisions of the Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Notes and the guarantees provided by the Subsidiary Guarantors.

### **Notes offered**

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate amount of US\$110 million which will mature on 5 August 2021, unless earlier redeemed pursuant to the terms thereof.

### **Offering price**

The offering price of the Notes will be 100% of the principal amount of the Notes.

### **Interest rate**

The Notes will bear interest from and including 6 August 2020 at the rate of 12.5% per annum, payable in arrears on 6 February 2021 and 5 August 2021.

## **Settlement date**

6 August 2020 or such other date that shall be designated by the Placing Agent and agreed by, among others, the Company.

## **Ranking of the Notes**

The Notes are (i) general obligations of the Company; (ii) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (iii) at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (iv) guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations; (v) effectively subordinated to the secured obligations (if any) of the Company and the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any), to the extent of the value of the assets serving as security therefor; and (vi) effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries.

## **Events of default**

The events of default under the Notes include, among others:

- (i) default in the payment of principal;
- (ii) default in the payment of interest and such default continues for a period of 14 consecutive days;
- (iii) default in the performance or breach of the provisions of certain covenants or the failure by the Company to make or consummate an offer to purchase in accordance with the provisions described in the Indenture;
- (iv) the Company or any Restricted Subsidiary defaults 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 (i), (ii) or (iii) above) and such default or breach continues for a period of 14 consecutive days after written notice by the Trustee or the holders of 25% or more in aggregate principal amount of the Notes;
- (v) there occurs with respect to any indebtedness of the Company or any Restricted Subsidiary having an outstanding principal amount of US\$7.5 million or more in the aggregate for all such indebtedness of all such persons, whether such indebtedness now exists or shall hereafter be created, (a) 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 (b) the failure to make a principal payment when due;
- (vi) one or more final judgments or orders for the payment of money are rendered against the Company or any Restricted Subsidiary and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such persons to exceed US\$7.5 million, in excess of amounts

which the Company's insurance carriers have unconditionally agreed to pay under applicable policies, during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;

- (vii) certain events of bankruptcy or insolvency with respect to the Company or certain Restricted Subsidiaries; and
- (viii) any Subsidiary Guarantor or JV Subsidiary Guarantor (if any) denies or disaffirms its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee (if any) or, except as permitted by the Indenture, any Subsidiary Guarantee or JV Subsidiary Guarantee (if any) is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect.

If an event of default (other than an event of default specified in (vii)) occurs and is continuing under the Indenture, the Trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the holders of the Notes), may, and the Trustee at the request of such holders of the Notes shall, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable.

If an event of default specified in (vii) above occurs with respect to the Company or any Restricted Subsidiary, 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 of the Notes.

## **Covenants**

The Notes, the Indenture and the Subsidiary Guarantees will limit the Company's ability and the ability of its Restricted Subsidiaries, to among other things:

- (i) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (ii) make investments or other specified restricted payments;
- (iii) issue and sell capital stock of Restricted Subsidiaries;
- (iv) guarantee indebtedness of Restricted Subsidiaries;
- (v) sell assets;
- (vi) create liens;
- (vii) enter into sale and leaseback transactions;
- (viii) enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (ix) enter into transactions with shareholders or affiliates; and

(x) effect a consolidation or merger.

### **Optional Redemption**

At any time prior to 5 August 2021, 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 the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to 5 August 2021, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 112.50% 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 issue date of the Notes remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

### **Proposed use of proceeds**

The Company intends to use the proceeds from the Proposed Notes Issue to refinance certain indebtedness and for other general corporate purposes.

### **General**

Satisfaction of the obligations of the parties pursuant to the Subscription and Placing Agreements is subject to the fulfilment, or waiver, of the conditions precedent set out therein. In addition, the Subscription and Placing Agreements may be terminated under certain circumstances set out therein.

### **Listing**

Approval in-principle has been received from the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. Admission of the Notes 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 or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. No listing of the Notes has been sought in Hong Kong.

## DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the following meanings in this announcement:

“Board”	the board of Directors
“CMBI”	CMB International Capital Limited, the sole placing agent in respect of the Proposed Notes Issue
“Company”	Huijing Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the indenture to govern the Notes
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the Notes
“JV Subsidiary Guarantors”	subsidiaries of the Company which in the future provide JV Subsidiary Guarantees
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	US\$110 million 12.5% senior notes due 2021 to be issued by the Company
“Notes Issue”	the issue of the Notes by the Company
“Proposed Notes Issue”	the proposed issue of the Notes by the Company
“Subscription and Placing Agreements”	the subscription and placing agreements entered into among, among others, the Company, the Subsidiary Guarantors and CMBI, dated 3 August 2020, in relation to the Proposed Notes Issue
“Restricted Subsidiary(ies)”	any subsidiary of the Company other than an Unrestricted Subsidiary
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors

“Subsidiary Guarantors”	certain non-PRC subsidiaries of the Company which guarantee the Notes
“Trustee”	China Construction Bank (Asia) Corporation Limited
“Unrestricted Subsidiary”	any subsidiary of the Company that at the time of determination shall be designated as an Unrestricted Subsidiary by the Board in the manner provided in the Indenture, and any subsidiary of an Unrestricted Subsidiary
“US”	the United States of America
“US\$”	United States dollar, the lawful currency of the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“%”	per cent

By order of the Board  
**Huijing Holdings Company Limited**  
**Lun Ruixiang**  
*Chairman*

Hong Kong, 3 August 2020

*As at the date of this announcement, the Board comprises Mr. Lun Zhao Ming, Mr. Lau Kam Kwok Dickson and Mr. Lu Peijun as executive Directors, Mr. Lun Ruixiang as a non-executive Director, and Ms. Chiu Lai Kuen Susanna, Mr. Hung Wan Shun Stephen and Ms. Lin Yanna as independent non-executive Directors.*