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Hilong Holding Limited

海隆控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1623)

FURTHER CHANGES TO THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

Reference is made to the announcements of the Company dated 20 May 2020 and 27 May 2020 (the “**Announcements**”) relating to the Exchange Offer with respect to the Existing Notes (ISIN: XS1628314889; Common Code: 162831488; Stock Code: 5224). Unless otherwise defined, capitalized terms in this announcement will have the same meaning as those defined in the Announcements.

* *For identification purposes only*

The Company hereby announces further changes to the terms and conditions of the Exchange Offer as follows. These changes are set out in a supplemental exchange offer memorandum dated the date of this announcement (the “Supplemental Exchange Offer Memorandum”), which supplements and amends the original exchange offer memorandum dated 20 May 2020 (the “Original Exchange Offer Memorandum” and, as so amended, the “Exchange Offer Memorandum”).

Term Extension

Both the Exchange Expiration Deadline and the Early Participation Deadline will be extended to 4:00 p.m., London time, 5 June 2020.

Exchange Consideration

The Exchange Consideration will consist of (for each US\$1,000 principal amount of the Existing Notes that are validly tendered and not validly withdrawn prior to the Exchange Expiration Deadline and accepted for exchange):

- (a) US\$900 in principal amount of the New Notes;
- (b) US\$100 in cash as Upfront Cash Consideration;
- (c) US\$5.00 in cash as Early Cash Incentive (if eligible);
- (d) any Accrued Interest; and
- (e) cash in lieu of any fractional amount of New Notes.

As provided in the Exchange Offer Memorandum, any amendment of the Exchange Offer, including changes in Exchange Consideration, will apply to all Existing Notes previously validly tendered and not validly withdrawn.

Any New Notes to be issued to any Eligible Holder in the Exchange Offer will be in a minimum principal amount of US\$150,000 and integral multiples of US\$1,000 in excess thereof.

No Partial Exchange

In order to participate in the Exchange Offer, each beneficial holder must tender all of its Existing Notes and may not partially exchange its Existing Notes.

Acceptance Condition

The obligation of the Company to consummate the Exchange Offer is conditional upon, among others described in the Exchange Offer Memorandum, Existing Notes validly tendered and not validly withdrawn prior to the Exchange Expiration Deadline having an aggregate principal amount of not less than 80% of all Existing Notes outstanding as of the date of the Original Exchange Offer Memorandum (the “Acceptance Condition”). If the Acceptance Condition is not satisfied, the Exchange Offer shall lapse. The Acceptance Condition shall not be waived.

Revocation and Resubmission

Instructions in connection with the Exchange Offer remain irrevocable, provided that Instructions submitted prior to the date of the Supplemental Exchange Offer Memorandum may be withdrawn and resubmitted, subject to the terms and conditions set forth in the Exchange Offer Memorandum.

Further Details

For a detailed statement of the terms and conditions of the Exchange Offer, Eligible Holders should refer to the Exchange Offer Memorandum.

D.F. King Limited has been appointed as the Information and Exchange Agent. Eligible Holders may contact D.F. King Limited in London, +44 20 7920 9700 and in Hong Kong, +852 3953 7208 or via email at hilong@dfkingltd.com.

The Supplemental Exchange Offer Memorandum will be distributed in electronic format to Eligible Holders via the Exchange Website: <https://sites.dfkingltd.com/hilong>. Any requests for additional copies of the Supplemental Exchange Offer Memorandum should be directed to D.F. King Limited at the above contact points.

Shareholders, holders of the Existing Notes and potential investors should note that completion of the Exchange Offer and the Concurrent New Money Issuance remains subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer and the Concurrent New Money Issuance as set forth in the Exchange Offer memorandum and summarized in the Announcements. No assurance can be given that the Exchange Offer and the Concurrent New Money Issuance will be completed and the Company reserves the right to amend, withdraw or terminate the Exchange Offer and the Concurrent New Money Issuance with or without conditions.

The Company may, at its sole discretion, amend or waive certain of the conditions precedent to the Exchange Offer, other than the Acceptance Condition, and to the Concurrent New Money Issuance. As the Exchange Offer and the Concurrent New Money Issuance may or may not proceed, shareholders, holders of the Existing Notes and potential investors should exercise caution when dealing in the shares of the Company or the Existing Notes.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

The Exchange Offer memorandum and all other documents related to the Exchange Offer are available on the Exchange Website: <https://sites.dfkingltd.com/hilong>

IMPORTANT NOTICE – THE EXCHANGE OFFER IS AVAILABLE ONLY TO INVESTORS WHO ARE NOT U.S. PERSONS (WITHIN THE MEANING OF REGULATION S) AND ARE OUTSIDE THE UNITED STATES. U.S. PERSONS (AS DEFINED UNDER REGULATION S), PERSONS ACTING FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS AND PERSONS LOCATED IN THE UNITED STATES ARE NOT PERMITTED TO TENDER THE EXISTING NOTES IN THE EXCHANGE OFFER.

By Order of the Board
Hilong Holding Limited
ZHANG Jun
Chairman

Hong Kong, 29 May 2020

As at the date of this announcement, the executive directors of the Company are Mr. ZHANG Jun and Mr. WANG Tao (汪濤); the non-executive directors are Ms. ZHANG Shuman, Mr. YUAN Pengbin and Dr. YANG Qingli; and the independent non-executive directors are Mr. WANG Tao (王濤), Mr. WONG Man Chung Francis and Mr. SHI Zheyan.