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China Logistics Property Holdings Co., Ltd
中國物流資產控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1589)

**EXCHANGE OFFER FOR THE COMPANY'S OUTSTANDING
8.75% SENIOR NOTES DUE 2021
FOR NEW US\$ SENIOR NOTES**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the Securities Futures Ordinance (Cap. 571 of the laws of Hong Kong).

On 5 November 2020, the Company commenced the Exchange Offer with respect to the Existing Notes held by non-U.S. persons outside the United States. The Exchange Offer is being made upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum.

The Company has mandated AMTD Global Markets Limited as Sole Dealer Manager in relation to the Exchange Offer. The Company has also mandated Morrow Sodali Limited as Information and Exchange Agent. For detailed descriptions of the terms and conditions of the Exchange Offer, the Eligible Holders should refer to the Exchange Offer Memorandum.

Application has been made to the SGX-ST for the listing and quotation of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. Approval in-principle from, admission to the Official List of, and the listing and quotation of the New Notes on, the SGX-ST are not to be taken as an indication of the merits of the Exchange Offer, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors or any of their respective subsidiaries or associated companies, the New Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees. No listing of the New Notes has been sought in Hong Kong.

Shareholders, holders of the Existing Notes and potential investors should note that completion of the Exchange Offer is subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer as set forth in the Exchange Offer Memorandum and summarised in the announcement. No assurance can be given that the Exchange Offer will be completed and the Company reserves the right to amend, withdraw or terminate the Exchange Offer with or without conditions.

The Company may, at its sole discretion, amend or waive certain of the conditions precedent to the Exchange Offer. As the Exchange Offer may or may not proceed, holders of the Existing Notes should exercise caution when dealing in the Existing Notes.

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.

The Exchange Offer

The Company is offering to exchange its outstanding Existing Notes held by Eligible Holders in accordance with the terms and conditions as set out in the Exchange Offer Memorandum and as summarised under the “Summary of Terms of the Exchange Offer” section below.

The Exchange Offer is subject to certain conditions as described in the Exchange Offer Memorandum, including an affirmative determination by the Company that effecting the Exchange Offer is in its best interests.

The New Notes will bear interest from and including 18 November 2020 at 8.75% per annum, payable semi-annually in arrears on 18 May and 18 November in each year. The New Notes will mature on 18 November 2022. The aggregate principal amount of the New Notes to be issued, including the Capitalized Interest, in exchange for the Existing Notes validly tendered, shall not exceed the Maximum Issuance Amount. Thus, the Company's acceptance of tendered Existing Notes may be subject to proration as described herein.

Notwithstanding anything to the contrary contained herein, but subject to applicable law, the Company may extend, withdraw or terminate the Exchange Offer if any of the conditions are not satisfied or waived by the Company by the Settlement Date and amend, modify or waive any of the terms and conditions of the Exchange Offer.

The Exchange Offer is not being made within, and the Exchange Offer Memorandum is not for distribution in the United States or to or for the account or benefit of any U.S. person (as defined under Regulation S). The Exchange Offer Memorandum is not an offer of securities for sale in the United States or to or for the account or benefit of any U.S. person (as defined under Regulation S) or any other jurisdiction where it is unlawful to offer such securities, including the New Notes and any guarantees with respect thereto, for sale. Securities may not be offered, sold or delivered in the United States absent registration or an exemption from registration. The New Notes and the related guarantees have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to or for the account or benefit of any U.S. person.

Summary of Terms of The Exchange Offer

Upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum, the Company is offering to exchange its outstanding Existing Notes for the Exchange Consideration (as defined below).

Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer will, from and including the Settlement Date, waive any and all rights with respect to the Existing Notes (other than the right to receive the relevant components of the applicable Exchange Consideration) and will release and discharge the Company from any and all claims such Eligible Holder may have, now or in the future, arising out of or related to such Existing Notes, including any and all accrued and unpaid interest thereon.

Exchange Consideration

For each US\$1,000 principal amount of outstanding Existing Notes that is validly tendered prior to the Exchange Expiration Deadline and accepted for exchange, an Eligible Holder of the Existing Notes will receive the consideration below (the "**Exchange Consideration**"):

- (A) US\$1,000 in aggregate principal amount of the New Notes;
- (B) Capitalized Interest; and
- (C) subject to the requirement that any New Notes issued to any Eligible Holder be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof, in the event that such Eligible Holder is entitled to receive any New Notes in a principal amount that is not an integral multiple of US\$1,000, cash (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards) in lieu of any fractional amount of the New Notes equal to the principal amount of the New Notes not issued (after rounding downward the amount of the New Notes to the nearest multiple of US\$1,000).

Maximum Issuance Amount

The aggregate principal amount of the New Notes to be issued, including the Capitalized Interest, in exchange for the Existing Notes validly tendered, shall not exceed US\$150,000,000. Thus, our acceptance of tendered Existing Notes may be subject to proration.

Proration

If the aggregate principal amount of Existing Notes validly tendered is greater than the Maximum Issuance Amount, the Company will accept tenders of Existing Notes for exchange on a pro rata basis such that the aggregate principal amount of Existing Notes accepted for exchange is no greater than the Maximum Issuance Amount. Such pro rata application will be performed by accepting (in respect of each relevant instruction) that proportion of Existing Notes validly tendered which is equal to the Maximum Issuance Amount divided by the aggregate principal amount in respect of all Existing Notes validly tendered, subject to rounding and as described in the following paragraph.

In the event of any such proration, the Company will round downward, if necessary, to ensure all the exchange of Existing Notes will be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. However, the Company may elect to accept or reject such exchange of Existing Notes in full if application of proration will otherwise result in either (i) the Company accepting Existing Notes from any Eligible Holder in a principal amount of less than US\$200,000 or (ii) the principal amount of Existing Notes not exchanged due to pro rata application being less than US\$200,000. All Existing Notes not accepted as a result of proration will be returned to Eligible Holders.

Summary Timetable

The following summarises the anticipated timetable for the Exchange Offer. Please note that the expiration of the Exchange Offer and the settlement of the New Notes, as well as the other events listed below, may be earlier or later than indicated below.

This summary is qualified in its entirety at the Company's sole and absolute discretion to any extension, and the right to terminate the Exchange Offer at any time prior to its expiration. All references below are to Hong Kong time, unless otherwise stated.

Date	Event
5 November 2020	Commencement of the Exchange Offer and announcement via the websites of Stock Exchange and the Exchange Website, and through Euroclear or Clearstream, as applicable. Exchange Offer Memorandum will be made available to Eligible Holders of the Existing Notes on the Exchange Website.
13 November 2020 (4:00 p.m., London time)	Exchange Expiration Deadline. This being the last date and time on which Eligible Holders of the Existing Notes who validly tender the Existing Notes are eligible to receive the relevant Exchange Consideration, as this is the last date and time for Eligible Holders of the Existing Notes to participate in the Exchange Offer.
As soon as practicable after the Exchange Expiration Deadline	Announcement of the amount of tenders for exchange received prior to the Exchange Expiration Deadline, the final total aggregate principal amount of the New Notes to be issued to Eligible Holders in exchange for the Existing Notes validly tendered, accepted and exchanged and any proportion factor (if applicable).

On or about 18 November 2020

Subject to satisfaction of the conditions as set forth in the Exchange Offer Memorandum, settlement of the New Notes, delivery of the Exchange Consideration to Eligible Holders whose Existing Notes have been validly tendered and accepted for exchange.

On or about 19 November 2020

Listing of the New Notes on the SGX-ST.

Procedures for Tendering Existing Notes

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To participate in the Exchange Offer, an Eligible Holder must validly tender its Existing Notes for exchange pursuant to the Exchange Offer prior to the Exchange Expiration Deadline pursuant to the procedures described in the Exchange Offer Memorandum.

Each of the Existing Notes being tendered for exchange may only be submitted in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. The aggregate principal amount of each of the New Notes to be issued to any Eligible Holder will be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof; provided that, if an Eligible Holder shall elect to partially exchange its Existing Notes into New Notes, the principal amount of each retained Existing Note must be in a minimum principal amount of US\$200,000.

A separate instruction needs to be submitted per each beneficial owner of the Existing Notes held through Euroclear and Clearstream due to Capitalized Interest and potential proration. Instructions in connection with the Exchange Offer may be revoked by an Eligible Holder at any time prior to, but not after, the Exchange Expiration Deadline.

Conditions to the Exchange Offer

The obligation of the Company to consummate the Exchange Offer is conditional upon the following:

- there being no material adverse change in the market from the date of the Exchange Offer Memorandum to the Settlement Date;
- an affirmative determination by the Company that accepting the exchanges, paying the Exchange Consideration and effecting the transactions contemplated hereby are in its best interests; and
- the satisfaction of other conditions described in the Exchange Offer Memorandum.

Subject to applicable law, the Company may terminate or withdraw the Exchange Offer if any of the conditions are not satisfied or waived by the Company by the Settlement Date. The Company may also extend the Exchange Offer from time to time until the conditions are satisfied or waived.

Use of Proceeds

The Company will not receive any cash proceeds from the Exchange Offer.

Purpose of the Exchange Offer

The Company intends to manage maturity size and extend the maturity profile of a portion of the Company's existing debt and provide the Company with additional flexibility to pursue its strategic objectives.

Listing of New Notes

Application has been made to the SGX-ST for the listing and quotation of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement. Approval in-principle from, admission to the Official List of, and the listing and quotation of the New Notes on, the SGX-ST are not to be taken as an indication of the merits of the Exchange Offer, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors or any of their respective subsidiaries or associated companies, the New Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees. No listing of the New Notes has been sought in Hong Kong.

Further Details

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

Morrow Sodali Limited has been appointed as the Information and Exchange Agent. To contact Morrow Sodali Limited in London, +44 20 8089 3287 and in Hong Kong, +852 2158 8405 or via email at cnlp@investor.morrowsodali.com.

The Exchange Offer Memorandum will be distributed in electronic format to Eligible Holders via the Exchange Website: <https://bonds.morrowsodali.com/cnlp>. Any requests for additional copies of the Exchange Offer Memorandum should be directed to Morrow Sodali Limited at the above contact points.

Information About the Company

The Company is an investment holding company and the Group is principally engaged in the development and leasing of storage facilities and related management services in the PRC.

General

This announcement is not an offer to purchase, a solicitation of an offer to purchase, an offer to sell or a solicitation of an offer to sell, securities in the United States or elsewhere. No securities of the Company or any of its subsidiaries are being, or will be, registered under the U.S. Securities Act or the securities laws of any state of the United States, and no such securities may be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the United States or any other jurisdiction. This announcement is provided to you because you are a non-U.S. person outside the United States in accordance with Regulation S. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful.

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. Forward-looking statements in this announcement, including, among others, those statements relating to the Exchange Offer are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Existing Notes and/or the New Notes, changes in the business and financial condition of the Company and its subsidiaries, changes in the property industry and changes in the capital markets in general.

The Company plans to issue the New Notes in exchange for the Existing Notes validly tendered and accepted for exchange pursuant to the Exchange Offer on or about the Settlement Date.

The distribution of the Exchange Offer Memorandum is restricted by law in certain jurisdictions. Persons who come into possession of the Exchange Offer Memorandum are required to inform themselves of and to observe any of these restrictions. The Exchange Offer Memorandum does not constitute, and may not be used in connection with, an offer to buy Existing Notes or New Notes or a solicitation to sell the Existing Notes by anyone in any jurisdiction in which such an offer or solicitation is not authorised or in which the person making such an offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make an offer or a solicitation. The Company will not accept any responsibility for any violation by any person of the restrictions applicable in any jurisdiction.

No assurance can be given that the Exchange Offer will be completed and the Company reserves the right, at its sole and absolute discretion, to extend, withdraw or terminate the Exchange Offer if any of the conditions are not satisfied or waived by the Company by the Settlement Date and amend, modify or waive any of the terms and conditions of the Exchange Offer.

Shareholders, holders of the Existing Notes and potential investors should note that completion of the Exchange Offer is subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer as set forth in the Exchange Offer Memorandum and summarised in the announcement. No assurance can be given that the Exchange Offer will be completed and the Company reserves the right to amend, withdraw or terminate the Exchange Offer with or without conditions.

The Company may, at its sole discretion, amend or waive certain of the conditions precedent to the Exchange Offer. As the Exchange Offer 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.

DEFINITIONS

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

“Board”	the board of Directors;
“Capitalized Interest”	accrued and unpaid interest on the Existing Notes validly tendered and accepted for exchange, up to but not including the Settlement Date, will be payable in the form of New Notes as Capitalized Interest rather than cash;
“Clearing Systems”	Euroclear and/or Clearstream, and “Clearing System” means any one of them;
“Clearstream”	Clearstream Banking S.A.;
“Company”	China Logistics Property Holdings Co., Ltd, an exempted company incorporated with limited liability in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Eligible Holders”	holders who are non-U.S. persons located outside the United States (as those terms are defined under Regulation S) and hold the Existing Notes through Euroclear and Clearstream, or certain fiduciaries holding accounts for the benefit of non-U.S. persons outside the United States (as those terms are defined under Regulation S) with the Existing Notes held through Euroclear and Clearstream;
“Euroclear”	Euroclear Bank SA/NV;
“Exchange Expiration Deadline”	4:00 p.m., London time, on 13 November 2020, unless extended or earlier terminated at the sole discretion of the Company;
“Exchange Offer”	the offer made by the Company upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum;

“Exchange Offer Memorandum”	the exchange offer memorandum dated 5 November 2020 in relation to the Exchange Offer;
“Exchange Website”	https://bonds.morrowsodali.com/cnlp , the website set up by the Information and Exchange Agent for the purpose of hosting the documents relating to the Exchange Offer;
“Existing Notes”	the Company’s 8.75% Senior Notes due 2021 (ISIN: XS2055798263, Common Code: 205579826);
“Group”	the Company and its subsidiaries;
“Holders”	holder(s) of the Existing Notes and “Holder” means any one of them;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Information and Exchange Agent”	Morrow Sodali Limited, the information and exchange agent for the Exchange Offer;
“JV Subsidiary Guarantees”	limited recourse guarantees given by the JV Subsidiary Guarantors on the New Notes;
“JV Subsidiary Guarantor”	each subsidiary of the Company which in the future provides a JV Subsidiary Guarantee;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Maximum Issuance Amount”	US\$150,000,000;
“New Notes”	the US\$ denominated 8.75% Senior Notes due 2022 to be issued by the Company, to be exchanged in accordance with the Exchange Offer for those Existing Notes that are accepted for exchange by the Company;
“PRC”	the People’s Republic of China;
“Regulation S”	Regulation S under the U.S. Securities Act;

“Settlement Date”	the date of settlement which is expected to occur on or about 18 November 2020, unless the Exchange Offer is extended or earlier terminated;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Sole Dealer Manager”	AMTD Global Markets Limited, as sole dealer manager of the Exchange Offer;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Guarantees”	the guarantee(s) to be provided by the Subsidiary Guarantors;
“Subsidiary Guarantors”	certain existing subsidiaries of the Group providing guarantees for the New Notes;
“U.S.” or “United States”	The United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended;
“US\$”	United States dollars, the lawful currency of the United States; and
“%”	per cent.

By Order of the Board
China Logistics Property Holdings Co., Ltd
 中國物流資產控股有限公司
Li Shifa
Chairman

Hong Kong, 5 November 2020

As at the date of this announcement, Mr. Li Shifa, Mr. Wu Guolin, Ms. Li Huifang, Mr. Chen Runfu, Mr. Cheuk Shun Wah, Ms. Shi Lianghua and Mr. Xie Xiangdong are the executive directors, Mr. Huang Xufeng, Ms. Li Qing and Mr. Fu Bing are the non-executive directors, and Mr. Guo Jingbin, Mr. Fung Ching Simon, Mr. Wang Tianye, Mr. Leung Chi Ching Frederick and Mr. Chen Yaomin are the independent non-executive directors of the Company.