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HAIMEN ZHONGNAN INVESTMENT DEVELOPMENT (INTERNATIONAL) CO., LTD.
(incorporated with limited liability in the British Virgin Islands)

**EXCHANGE OFFER FOR ANY AND ALL OF THE OUTSTANDING 10.875%
GUARANTEED SENIOR NOTES DUE 2022
(ISIN: XS2008677341; COMMON CODE: 200867734; STOCK CODE: 4585)**

NOTICE IS HEREBY GIVEN that Haimen Zhongnan Investment Development (International) Co., Ltd. (the “**Issuer**”) are offering to exchange (the “**Exchange Offer**”) any and all of the following securities:

Description of Debt Securities	Outstanding Principal Amount of the 2022 Notes	ISIN/Common Code	Exchange Consideration ⁽¹⁾	Expiration Deadline
10.875% Guaranteed Senior Notes due 2022 (the “ 2022 Notes ”)	US\$500,000,000	XS2008677341/ 200867734	US\$1,000 in principal amount of the New Notes, US\$20 in cash, Accrued Interest and cash in lieu of any fractional amount of New Notes (each as defined herein).	4:00 p.m. (London Time) on March 26, 2021 ⁽²⁾

- (1) Per US\$1,000 principal amount of the 2022 Notes accepted for exchange
- (2) Unless extended, re-opened, amended and/or terminated by the Issuer

For the exchange consideration (the “**Exchange Consideration**”), for each US\$1,000 principal amount of the 2022 Notes that are validly tendered on or prior to the Exchange Expiration Deadline (as defined below) and accepted for exchange, consisting of the following:

- (a) US\$1,000 in principal amount of the U.S. dollar-denominated senior notes due 2024 (the “**New Notes**”);
- (b) US\$20 in cash;
- (c) any Accrued Interest (as defined below); and
- (d) cash in lieu of any fractional amount of the New Notes.

The Exchange Offer is being made on the terms and subject to the conditions set out in an exchange offer memorandum dated March 22, 2021 (the “**Exchange Offer Memorandum**”), which is available to Eligible Holders via the Exchange Website: <https://sites.dfkingltd.com/zhongnan>. Capitalized terms used and not otherwise defined in this announcement have the meanings given in the Exchange Offer Memorandum.

CONCURRENT NEW MONEY ISSUANCE

The Issuer and Jiangsu Zhongnan Construction Group Co., Ltd. (江蘇中南建設集團股份有限公司) (the “**Parent Guarantor**”) are concurrently conducting a separate offering of additional New Notes (the “**Additional New Notes**” and, such offering, the “**Concurrent New Money Issuance**”). The Concurrent New Money Issuance is not a part of the Exchange Offer and is being conducted pursuant to a separate offering memorandum.

Any Concurrent New Money Issuance will be on terms and conditions acceptable to the Issuer and the Parent Guarantor in their sole discretion. Upon issuance, any Additional New Notes sold in the Concurrent New Money Issuance will be on the same terms and form a single series with the corresponding New Notes issued under the Exchange Offer.

The Issuer and the Parent Guarantor expect to announce the pricing terms of the Concurrent New Money Issuance as soon as practicable following the pricing of the Concurrent New Money Issuance or, if the Issuer and the Parent Guarantor decide not to proceed with the Concurrent New Money Issuance (or any portion thereof), the Issuer and the Parent Guarantor will announce such decision as soon as practicable following such decision being made. However, there can be no assurance that any of the Concurrent New Money Issuance will price at all. The Issuer and the Parent Guarantor cannot assure you that the Concurrent New Money Issuance will be successfully consummated.

PURPOSE OF THE EXCHANGE OFFER

The Issuer and the Parent Guarantor are conducting the Exchange Offer to refinance the 2022 Notes and improve the debt structure of the Parent Guarantor.

INTEREST RATE OF THE NEW NOTES

The minimum yield of the New Notes will be 11.5% per annum. The final interest rate of the New Notes is expected to be set on or about March 29, 2021 (the “**Pricing Date**”).

ACCRUED INTEREST

Accrued and unpaid interest on any 2022 Notes validly tendered by Eligible Holders and accepted for exchange, up to but not including the Settlement Date, will be payable in cash as part of the Exchange Consideration (such accrued and unpaid interest in cash, the “**Accrued Interest**”). The Accrued Interest is expected to be funded by the Parent Guarantor’s internal funds.

CONDITIONS OF THE EXCHANGE OFFER

This Exchange Offer is subject to the conditions as described in the Exchange Offer Memorandum. Notwithstanding anything to the contrary contained in the Exchange Offer Memorandum or in any other document related to the Exchange Offer, the Issuer and the Parent Guarantor expressly reserve the right, in their sole discretion and regardless of whether any of the conditions described in the Exchange Offer Memorandum, have been satisfied, subject to applicable law, at any time to (i) terminate the Exchange Offer, in whole or in part, (ii) waive any of the conditions to the Exchange Offer described in the Exchange Offer Memorandum, in whole or in part, (iii) extend the Exchange Expiration Deadline, the Pricing Date and/or the Settlement Date, (iv) modify the form or amount of the consideration to be paid pursuant to the Exchange Offer, or (v) amend any terms of the Exchange Offer. **Any amendment to the Exchange Offer will apply to all 2022 Notes tendered, regardless of when and in what order such 2022 Notes were tendered.**

The Issuer and the Parent Guarantor will give you notice of any amendments, modifications or waivers as and if required by applicable law.

EXPECTED TIMETABLE OF EVENTS

The following summarizes the indicative schedule of the Exchange Offer. Please note that this timetable is subject to change and dates and times may be extended, re-opened or amended in accordance with the terms of the Exchange Offer as described in the Exchange Offer Memorandum. This summary timetable is qualified in its entirety by, and should be read in conjunction with, more detailed information appearing elsewhere in the Exchange Offer Memorandum.

In relation to the times and dates indicated below, Eligible Holders should note the particular practices and policies of the relevant Clearing System regarding their communications deadlines, which will determine the latest time at which tenders of the 2022 Notes for exchange may be delivered to the relevant Clearing System (which may be earlier than the deadlines set forth below) so that they are received by the Information and Exchange Agent within the deadlines set forth below.

Date	Event
March 22, 2021	Commencement of the Exchange Offer and announcement via the website of The Stock Exchange of Hong Kong Limited (“HKSE”) and the Exchange Website and through Euroclear or Clearstream, as applicable. Exchange Offer Memorandum available to Eligible Holders.
March 26, 2021 (4:00 p.m. London time)	Exchange Expiration Deadline. This being the last date and time on which Eligible Holders who validly tender the 2022 Notes are eligible to receive the relevant Exchange Consideration, as this is the last date and time for Eligible Holders to participate in the Exchange Offer.

Date	Event
As soon as practicable after the Exchange Expiration Deadline	Announcement of (i) the amount of valid tenders for exchange received on or prior to the Exchange Expiration Deadline, and (ii) whether the Issuer and the Parent Guarantor will accept any 2022 Notes for exchange pursuant to the Exchange Offer, and if so, and subject to satisfaction or waiver of the remaining conditions of the Exchange Offer (a) the final aggregate principal amount of the 2022 Notes accepted for exchange and (b) the final aggregate principal amount of the New Notes to be issued to Eligible Holders in exchange for the 2022 Notes validly tendered, accepted and exchanged.
On or about March 29, 2021	Pricing Date. Pricing of the New Notes (including the Additional New Notes (if any)), subject to market conditions.
As soon as practicable after the Pricing Date	Announcement of the pricing terms of the New Notes (including the Additional New Notes (if any)).
On or about April 1, 2021	Settlement Date. Subject to satisfaction or waiver of the conditions to the Exchange Offer described in the Exchange Offer Memorandum, settlement and issuance of the New Notes, delivery of the Exchange Consideration to Eligible Holders whose 2022 Notes have been validly tendered and accepted for exchange.
On or about April 7, 2021	Listing of the New Notes on HKSE.

All references are to times are to London time, unless stated otherwise. The above dates are indicative only.

The Issuer and the Parent Guarantor reserve the right to extend the Exchange Expiration Deadline in their sole discretion. In such case, the date on which the notice of the results of the Exchange Offer will be delivered and the Pricing Date and/or the Settlement Date will be adjusted accordingly. Eligible Holders should inform themselves of any earlier deadlines that may be imposed by the Clearing Systems and/or any intermediaries, which may affect the timing of an instruction for exchange.

Unless stated otherwise, announcements in connection with the Exchange Offer will be made by publication on the HKSE, on the Exchange Website and by the delivery of notices to the Clearing Systems for communication to Direct Participants and may be published via a recognized financial news service or services (e.g. Reuters/Bloomberg) as selected by us. Copies of all such announcements, press releases and notices can also be obtained from the Information and Exchange Agent. Significant delays may be experienced where notices are delivered to the Clearing Systems and holders of the 2022 Notes are urged to contact the Information and Exchange Agent for the relevant announcements during the course of the Exchange Offer.

PARTICIPATION IN THE EXCHANGE OFFER

Holders are advised to read carefully the Exchange Offer Memorandum for information relating to the procedural details of how to participate in the Exchange Offer.

Instructions to exchange any of the 2022 Notes may only be submitted in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. Any New Notes to be issued to any Eligible Holder in the Exchange Offer will be in a minimum principal amount of US\$200,000 and integral multiples of US\$1,000 in excess thereof. Any fractional amounts of the New Notes will be paid in U.S. dollars in cash. Eligible Holders are responsible for ensuring that their instructions will result in the New Notes they are entitled to receive being at least equal to the minimum principal amount of US\$200,000. Instructions that would result in a principal amount of the New Notes below US\$200,000 will be rejected.

A separate instruction must be sent on behalf of each beneficial owner wishing to participate in the Exchange Offer.

Instructions in connection with the Exchange Offer are irrevocable. Eligible Holders may not withdraw instructions at any time once delivered in accordance with the terms described in the Exchange Offer Memorandum. Tenders of 2022 Notes are irrevocable upon delivery and may not be withdrawn at any time, unless required under any applicable laws.

Eligible Holders of the 2022 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 2022 Notes (other than the right to receive the relevant components of the applicable Exchange Consideration) and will release and discharge the Issuer and the Parent Guarantor from any and all claims such Eligible Holder may have, now or in the future, arising out of or related to such 2022 Notes, including any and all accrued and unpaid interest thereon.

FOR FURTHER INFORMATION

The Issuer and the Parent Guarantor have retained Guotai Junan Securities (Hong Kong) Limited and Standard Chartered Bank to act as the Dealer Managers for the Exchange Offer. Questions about the terms of the Exchange Offer should be directed to the Dealer Managers at their contact details described in the Exchange Offer Memorandum.

D.F. King Ltd. has been appointed as the Information and Exchange Agent for the Exchange Offer. Questions regarding tender or exchange procedures should be directed to the Information and Exchange Agent at +44 20 7920 9700 in London and +852 3953 7208 in Hong Kong, or via email at zhongnan@dfkingltd.com.

The Exchange Offer Memorandum will be distributed in electronic format to Eligible Holders via the Exchange Website: <https://sites.dfkingltd.com/zhongnan>. Any requests for additional copies of the Exchange Offer Memorandum should be directed to the Information and Exchange Agent at the above points of contact.

GENERAL

No offer or invitation to acquire or exchange any securities is being made pursuant to this announcement. This announcement and the Exchange Offer Memorandum contain important information, which must be read carefully before any decision is made with respect to the Exchange Offer. If any holder of the 2022 Notes is in any doubt as to the action it should take, it is recommended to seek its own legal, tax and financial advice, including as to any tax consequences, from its stock broker, bank manager, solicitor, accountant or other independent financial adviser.

Eligible Holders of 2022 Notes must make their own decision whether to participate in the Exchange Offer. None of the Issuer, the Parent Guarantor, the Dealer Managers, the Trustee, the Agents and the Information and Exchange Agent or any other person is making any recommendation as to whether or not any Eligible Holder should participate in the Exchange Offer.

This announcement and the Exchange Offer Memorandum do not constitute an offer to sell or buy or the solicitation of an offer to sell or buy any securities in any circumstances in which such offer or solicitation is unlawful.

PLEASE NOTE: The Exchange Offer is available only to investors who are non-U.S. persons located outside the United States. U.S. PERSONS AND PERSONS LOCATED IN THE UNITED STATES ARE NOT PERMITTED TO TENDER THE 2022 NOTES IN THE EXCHANGE OFFER.

The New Notes and the Parent Guarantee have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the New Notes are being offered and sold only to non-U.S. persons outside the United States in compliance with Regulation S under the Securities Act.

The Exchange Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The 2022 Notes may not be tendered in the Exchange Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States as defined in Regulation S of the Securities Act, or to a U.S. person (as defined in Regulation S of the Securities Act). Accordingly, copies of any documents or materials relating to the Exchange Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to U.S. persons. Any purported offer of the 2022 Notes for exchange resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported offer of the 2022 Notes for exchange made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Prohibition of Sales to European Economic Area (“EEA”) Retail Investors – The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU, as amended (“**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (“**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Prohibition of Sales to UK Retail Investors – The securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that the New Notes as “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

An Eligible Holder participating in the Exchange Offer will be required to certify its Investor Profile (as defined in the Exchange Offer Memorandum) when it submits instructions for the exchange offer. An Eligible Holder’s certification of its Investor Profile does not affect any of its entitlements with respect to the 2022 Notes it holds.

Hong Kong, March 22, 2021

As at the date of this announcement, the sole director of Haimen Zhongnan Investment Development (International) Co., Ltd. is Mr. Xin Qi and the directors of Jiangsu Zhongnan Construction Group Co., Ltd. are Mr. Chen Jinshi, Ms. Chen Yuhan, Mr. Xin Qi, Mr. Bai Lizhong, Mr. Hu Hongwei, Mr. Tang Xiaodong and Mr. Yao Ke as directors and Mr. Huang Feng, Mr. Cao Yitang, Mr. Hua Zhiwei and Mr. Shi Jun as independent directors.