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LFG Investment Holdings Limited
LFG 投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3938)

**DISCLOSEABLE TRANSACTION
IN RELATION TO THE ACQUISITION OF BOND**

THE BOND ACQUISITION

The Board announces that, on 22 April 2021, Lego Vision Fund SP (a segregated portfolio which is treated as a non-wholly owned subsidiary of the Company) executed a trade order to acquire the Bond on the open market in the principal amount of US\$200,000 (equivalent to approximately HK\$1.55 million) at the consideration of US\$175,900 (equivalent to approximately HK\$1.36 million) which was funded by Lego Vision Fund SP.

IMPLICATIONS UNDER THE LISTING RULES

As the Bond Acquisition and the Previous Acquisition were conducted within a 12-month period prior to and inclusive of the date of the Bond Acquisition, the Bond Acquisition and Previous Acquisition were aggregated pursuant to Rule 14.22 of the Listing Rules.

As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Bond Acquisition and the Previous Acquisition, when aggregated as a whole, exceeds 5% but are below 25%, which constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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As the Bond Acquisition was made through the open market, the Company is not aware of the identities of the sellers of the Bond. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of the Bond and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

THE BOND

- The Issuer : Guorui Properties Limited, a company incorporated in Cayman Islands with limited liability under the name of “Glory Land Company Limited (國瑞置業有限公司)” and carrying on business in Hong Kong as “Guorui Properties Limited and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2329). The Issuer and its subsidiaries are principally engaged in the business of property development, provision of primary land construction and development services, property investment, and provision of property management and related services.
- Guarantor : Personal guarantees provided by Mr. ZHANG Zhangsun and Ms. RUAN Wenjuan, the controlling shareholder of the Issuer and his spouse and guarantees provided by certain of the subsidiaries and/or joint venture of the Issuer.
- Coupon rate : 14.25% per annum payable semi-annually in arrears.
- Maturity date : 25 January 2024, subject to early redemption provisions

as set out in the terms of the Bond.

Optional redemption : The Bond may be redeemed in the following circumstances:

(1) the Issuer may at its option redeem the Bond, in whole but not in part, at a redemption price equal to 100% of the principal amount of the redeemed Bond plus the applicable premium as of, and accrued and unpaid interest, if any, up to (but not including) the redemption date.

(2) the Issuer may redeem up to 35% of the aggregate principal amount of the Bond with the net cash proceeds of one or more sales of common stock of the Issuer in an equity offering at a redemption price of 114.25% of the principal amount of the Bond redeemed, plus accrued and unpaid interest, if any, up to (but not including) the redemption date, subject to conditions.

(3) At any time on and from time to time after the date when no more than 10% of the aggregate principal amount of the Bond originally issued on the original issue date remains outstanding, the Issuer may at its option redeem the Bond, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Bond plus accrued and unpaid interest, if any, up to (but not including) the redemption date.

Repurchase upon change of control : Not later than 30 days following the occurrence of certain events constituting a change of control of the Issuer, the Issuer will make an offer to repurchase all outstanding Bond at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, up to (but not including) the purchase payment date.

Cessation put : Not later than 30 days following a delisting/suspension put triggering event (i.e. the occurrence of either (a) the ordinary share capital of the Issuer ceasing to be listed on

the Stock Exchange; or (b) trading of its shares is suspended for 30 consecutive trading days), the Issuer will make an offer to purchase all outstanding Bond at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, up to (but not including) the purchase payment date.

Holder put : Holders of the Bond will have the right, at their option, to require the Issuer to repurchase for cash all of the Bond, or any portion of the principal thereof that is equal to US\$200,000 or integral multiples of US\$1,000 in excess thereof.

The repurchase price the Issuer is required to pay will be equal to 100% of the principal amount of the Bond to be repurchased, plus any accrued and unpaid interest.

Listing : The Bond is listed on the Singapore Exchange Limited

REASONS FOR AND BENEFITS OF THE BOND ACQUISITION

The Company is an investment holding company and, together with its subsidiaries, are principally engaged in corporate finance advisory services, securities and financing services and asset management services.

Lego Vision Fund SP, a segregated portfolio of Lego SPC Fund Limited, focuses to invest in a portfolio consisting primarily of equities, bonds and other securities of companies in promising industries with excellent management, business model, products and sound financials for the long-term sustainable growth.

The Bond Acquisition is conducted within the ordinary course of business of Lego Vision Fund SP. As the Bond Acquisition was made at market price, the Board considers that the terms of the Bond Acquisition are on normal commercial terms and fair and reasonable and the Bond Acquisition is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

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As one of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Bond Acquisition and the Previous Acquisition, when aggregated as a whole, exceeds 5% but are below 25%, which constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITION

“Board”	board of Directors
“Bond”	a bond issued by the Issuer with particular set out in the section headed “the Bond” in this announcement
“Bond Acquisition”	the execution of a trade order to acquire on the open market on 22 April 2021 for the Bond in the principal amount of US\$200,000
“Company”	LFG Investment Holdings Limited (LFG 投資控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3938)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Issuer”	Guorui Properties Limited, a company incorporated in Cayman Islands with limited liability under the name of “Glory Land Company Limited (國瑞置業有限公司)” and carrying on business in Hong Kong as

	“Guorui Properties Limited and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2329)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Previous Acquisition”	the acquisition of the Bond in the principal amount of US\$646,000 on 1 February 2021
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By Order of the Board
LFG Investment Holdings Limited
Mui Ho Cheung Gary
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 22 April 2021

As at the date of this announcement, the executive directors of the Company are Mr. Mui Ho Cheung Gary, Mr. Liu Chi Wai, Mr. Ng Siu Hin Stanley, Ms. Ho Sze Man Kristie and Mr. Tang Chun Fai Billy; and the independent non-executive directors of the Company are Ms. Lim Yan Xin Reina, Mr. Poon Lai Yin Michael and Dr. Wong Ho Ki.