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Keyne 金奧国际
HK00009

KEYNE LTD

金奧國際股份有限公司*

(formerly known as Nine Express Limited)

(incorporated in Bermuda with limited liability)

(Stock Code: 00009)

**MAJOR AND CONNECTED TRANSACTION
INVOLVING PROVISION OF FINANCIAL ASSISTANCE
TO A CONNECTED PERSON**

PROVISION OF FINANCIAL ASSISTANCE

On 30 June 2021 (after trading hours), the wholly-owned subsidiaries of the Company executed (i) the Corporate Guarantee Agreement A; (ii) the Corporate Guarantee Agreement B; and (iii) the Property Mortgage to secure/guarantee all the repayment obligations of Yonghong under the Amended YH Facility Agreements.

IMPLICATIONS UNDER THE LISTING RULES

The provision of the Corporate Guarantees and Mortgaged Properties under the respective Security Documents to secure all the repayment obligations of Yonghong under the Amended YH Facility Agreements constitute financial assistance provided by the Group to Yonghong. As one of the applicable percentage ratios in respect of the Security Documents is more than 25%, the provision of financial assistance constituted a major transaction on the part of the Company under the Listing Rules. In addition, the asset ratio for the provision of financial assistance under the Security Documents exceeded 8%, the provision of financial assistance constituted advances to an entity under Rule 13.13 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

As at the date of this announcement, Yonghong is a company owned as to 30% by Ms. Qian, an executive Director and chairman of the Board, and as to 70% by Mr. Derek Chu, son of Ms. Qian and a Controlling Shareholder. Yonghong is an associate of Ms. Qian and Mr. Derek Chu respectively. As such, Yonghong is a connected person of the Company, and the provision of financial assistance to Yonghong pursuant to the Security Documents constituted a non-exempted connected transaction on the part of the Company under Chapter 14A of the Listing Rules and the

* for identification purpose only

Security Documents are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Ms. Qian, who has a material interest in the Security Documents and the transactions contemplated thereunder, had abstained from voting on the resolutions of the Board approving the Security Documents and the transactions contemplated thereunder.

Each of the Security Documents is subject to, among others, the approval by the Independent Shareholders at the SGM. Each of Yonghong, Ms. Qian, Mr. Derek Chu and their respective associates is required to abstain from voting on the resolution(s) at the SGM to approve the Security Documents. As at the date of this announcement, Keyne Holdings, Ms. Qian, Mr. Derek Chu and their respective associates are, in aggregate, interested in 2,073,549,197 Shares, representing approximately 58.10% of the issued share capital of the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders as to the fairness and reasonableness in respect of the Security Documents. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

A circular containing, among other matters, further details of the Security Documents, the recommendation of the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders, the financial information of the Group and a notice to convene the SGM will be despatched to the Shareholders on or before 24 August 2021 as more time is required to prepare the information to be included in the circular.

BACKGROUND

Reference is made to the announcement of the Company dated 18 December 2017, in relation to (i) the entering into of the Listco Facility Agreement by the Company as borrower, the Lender as lender and the Connected Guarantors as guarantors, pursuant to which the Lender made available to the Company the loan facility in the principal amount of up to US\$42,000,000 at the interest of 8% per annum; and (ii) the pledge of the Shares owned by the Controlling Shareholder to secure the Listco Loan Facility. The Listco Loan Facility was due on 2 January 2021 and the aggregate outstanding loan owed to the Lender amounted to approximately US\$42,082,000 (consisting of the principal of US\$31,743,600, interests of US\$3,156,400 and default interest of US\$7,182,000) as at the date of this announcement.

On 18 December 2017, Yonghong as borrower, the Lender as lender and the YH Guarantors as guarantors entered into the YH Facility Agreement, pursuant to which the Lender made available to Yonghong the loan facility in the principal amount of up to US\$40,000,000, at an interest rate of 8% per annum for a term of three years from the date of drawdown, which can be extended for a further one year. As advised by Yonghong, the YH Loan Facility was due on 28 December 2020 and the aggregate outstanding loan owed to the Lender amounted to approximately US\$42,196,000 (consisting the principal of approximately US\$31,670,000, interests of US\$3,230,000 and default interests of US\$7,296,000) as at the date of this announcement.

THE LISTCO RESTRUCTURING AND AMENDMENT DEED

On 30 June 2021 (after trading hours), the Company, the Lender and the Connected Guarantors, being the parties to the Listco Facility Agreement entered into the Listco Restructuring and Amendment Deed to restructure and amend the terms of the Listco Facility Agreement. The Revised Listco Loan Facility will be secured by, among others, pledge of the Shares owned by Keyne Holdings, the Controlling Shareholder, and guaranteed by, among others, Keyne Holdings and Yonghong.

Principal terms of the Listco Restructuring and Amendment Deed

Date: 30 June 2021

Parties: The Company, as borrower

China Huarong International Holdings Limited, as lender

Ms. Qian Ling Ling;

Mr. Peter Zhu;

Mr. Derek Chu;

Keyne Holdings; and

Yonghong;

collectively, as guarantors

Revised Listco Loan Facility: US\$34,900,000, being the total loan amount, which the Lender agrees to waive all amounts of default interest prior to the Effective Date provided that the Company complies with all of its payment obligations under the Listco Facility Agreement from the Effective Date

Term: Pursuant to the Listco Restructuring and Amendment Deed, the Company shall repay the Revised Listco Loan Facility in instalments in accordance with the following repayment schedule:

Repayment dates	Repayment instalment	
	(a)	or (b)
31 December 2021	US\$4,000,000	US\$3,200,000 (<i>note</i>)
30 June 2022	US\$7,500,000	US\$6,000,000 (<i>note</i>)

by the end of the term (i.e. 24 months from 3 January 2021) or extended term (i.e. 36 months from 3 January 2021) the outstanding principal amount of the Revised Listco Loan Facility

Note: in the event that all disclosures, announcements and/or approvals required to be made pursuant to the Listing Rules in respect of the entry into each of (i) the Property Mortgage; (ii) the Corporate Guarantee Agreement A; and (iii) the Corporate Guarantee Agreement A have not been duly obtained within three months from the Effective Date

Interest: Under the Listco Facility Agreement, the loan drawn thereunder should bear the interest rate of 8% per annum.

As amended by the Listco Restructuring and Amendment Deed, the loan which is outstanding under the Amended Listco Facility Agreements shall bear the interest rate of 9% per annum from 2 January 2021 until last day of the term thereof.

However, if the Property Mortgage was not duly registered within 3 months from the Effective Date, the interest rate will be 12% per annum.

Security: Pursuant to the Amended Listco Facility Agreements, the Company and/or the Connected Guarantors shall provide the following as security:

- (i) charge over account opened in the name of the Company, and entered into by the Company in favour of the Lender;

- (ii) share charge over 100% of the issued share capital in Yonghong owned and entered into by Mr. Derek Chu and Ms. Qian in favour of the Lender;
- (iii) the share charge over certain Shares owned by Keyne Holdings representing not less than 51% of the total Shares and entered into by Keyne Holdings in favour of the Lender (the “**Share Charge – Listco Shares**”);
- (iv) the equity pledge executed by Profit Source pledging 100% of the equity interest in Chengdu Project Company in favour of the Lender;
- (v) the equity pledge executed by Brilliant Field pledging 100% of the equity interest in Hunan Project Company A in favour of the Lender;
- (vi) the equity pledge executed by Brilliant Field pledging 100% of the equity interest in Hunan Project Company B in favour of the Lender;
- (vii) the equity pledge executed by Yonghong pledging 100% of the equity interest in Yangzhou Project Company in favour of the Lender; and
- (viii) a third ranking mortgage executed by Hunan Project Company B pledging the Mortgaged Properties in favour of the Lender.

Cross-default

Pursuant to the Listco Restructuring and Amendment Deed, the events of default include, but are not limited to:

- (a) any financial indebtedness of any Obligor or any member of the Group not being paid when due nor within any originally applicable grace period;
- (b) any financial indebtedness of any Obligor or any member of the Group being declared to be or otherwise becoming due and payable prior to its specified maturity as a result of an event of default;

- (c) any commitment for any financial indebtedness of any Obligor or any member of the Group being cancelled or suspended by a creditor of any Obligor or any member of the Group as a result of an event of default;
- (d) any creditor of any Obligor or any member of the Group becoming entitled to declare any financial indebtedness of any Obligor or any member of the Group due and payable prior to its specified maturity as a result of an event of default; or
- (e) no event of default will occur if the aggregate amount of financial indebtedness or commitment for financial indebtedness falling within paragraphs (a) to (d) above is less than US\$20,000,000, provided that such amount shall not apply to any financial indebtedness owed by any Obligor or any member of the Group to the Lender.

If the event of default occurs, the Revised Listco Loan Facility would be cancelled, and the outstanding liabilities should be immediately due and payable together with exercise any or all of its rights, remedies, powers or discretions under the Listco Facility Agreement and the Listco Restructuring and Amendment Deed.

Charge of Shares by the Controlling Shareholder

Keyne Holdings has executed the confirmatory share charge, pursuant to which Keyne Holdings confirmed the Share Charge – Listco Shares shall continue to be a security for the obligations of the Company under the Amended Listco Facility Agreements.

Specific performance obligations of the Controlling Shareholder

Pursuant to the Listco Facility Agreement, if Keyne Holdings ceases to be the single largest shareholder of the Company or Ms. Qian ceases to be a Director:

1. the Company shall promptly notify the Lender upon becoming aware of the event;
2. the Lender shall not be obliged to fund a utilisation; and
3. if the Lender so requires, the Lender shall, by notice to the Company, cancel the Revised Listco Loan Facility and declare all outstanding Loans, together with accrued interest, and all other amounts accrued immediately due and payable, whereupon the Revised Listco Loan Facility will be cancelled and all such outstanding loans and amounts will become immediately due and payable.

There is no change to the above specific performance obligations of the Controlling Shareholder in the Listco Restructuring and Amendment Deed.

THE YH RESTRUCTURING AND AMENDMENT DEED

On 30 June 2021, Yonghong, the YH Guarantors and the Lender, being the parties to the YH Facility Agreement entered into the YH Restructuring and Amendment Deed to restructure and amend the terms of the YH Facility Agreement, pursuant to which, the Hunan Project Companies shall provide the Corporate Guarantees and the Hunan Project Company B shall execute the Property Mortgage to guarantee and secure all the repayment obligations of Yonghong under the Amended YH Facility Agreements.

THE PROPERTY MORTGAGE

Pursuant to the Property Mortgage, Hunan Project Company B conditionally agreed to provide the Mortgaged Properties as security to secure all the repayment obligations of Yonghong under the Amended YH Facility Agreements. The principal terms of the Property Mortgage are set out as follows:

Date: 30 June 2021

Parties: (1) the Lender (as pledgee); and
(2) Hunan Project Company B (as pledgor)

Term: the pledge became effective after the Property Mortgage has been registered with the relevant PRC authority; and shall expire upon full discharge the repayment obligations under the Amended YH Facility Agreements, including, among others, the entire principal amount of the indebtedness, interest, penalty interest, compound interest, liquidated damages, damages and the cost incurred by the Lender in realising the creditor's rights (including but not limited to litigation/arbitration fees, property preservation fee, travel expenses, execution fees, valuation fees, auction fees, notary fees, delivery fees, legal fees, translation fees and other costs and expenses in relation to the disposal of the Mortgaged Properties, etc.

Collateral: the Mortgaged Properties, being the phrase two of a residential complex named “金奥湘江公馆” (transliterated as Jinao Xiangjiang Apartment) located at No. 89 Yanjiang North Road, Xiangtan Economic and Technological Development Zone, Xiangtan, Hunan Province, the PRC, comprising several pieces and parcels of land with the land certificate number of Tan Jiu Guo Yong (2013) No. A01067 and Tan Jiu Guo Yong (2013) No. A01068 and the properties thereon with the real estate title certificate number of Xiang (2019) No. 0017408 respectively, with the pledged value of approximately RMB495,460,000

Consideration: Hunan Project Company B did not receive any fee or commission for the provision of the Mortgaged Properties under the YH Restructuring and Amendment Deed

The Property Mortgage is subject to the Independent Shareholders’ approval. The Property Mortgage will take effect after such approval is obtained at the SGM.

THE CORPORATE GUARANTEE AGREEMENT A

Pursuant to the Corporate Guarantee Agreement A dated 30 June 2021, Hunan Project Company A conditionally agreed to guarantee the repayment obligations of Yonghong under the Amended YH Facility Agreements up to three years after the end of the term (i.e. 24 months from 29 December 2020) or the extended term (i.e. 36 months from 29 December 2020) thereof, including the principal, all interest, penalty interest, compound interest, liquidated damages, damages, handling fees and any costs and expenses arising from realising the debt and all economic losses.

The Corporate Guarantee Agreement A is subject to the Independent Shareholders’ approval. The Corporate Guarantee Agreement A will take effect after such approval is obtained at the SGM.

THE CORPORATE GUARANTEE AGREEMENT B

Pursuant to the Corporate Guarantee Agreement B dated 30 June 2021, Hunan Project Company B conditionally agreed to guarantee the repayment obligations of Yonghong under the Amended YH Facility Agreements up to three years after the end of the term (i.e. 24 months from 29 December 2020) or the extended term (i.e. 36 months from 29 December 2020) thereof, including the principal, all interest, penalty interest, compound interest, liquidated damages, damages, handling fees, any costs and expenses arising from realising the debt and all economic losses.

The Corporate Guarantee Agreement B is subject to the Independent Shareholders’ approval. The Corporate Guarantee Agreement B will take effect after such approval is obtained at the SGM.

INFORMATION ON THE LENDER AND YONGHONG

The Lender

To the best knowledge of the Directors, the Lender is incorporated in Hong Kong with limited liability which is principally engaged in investment holding, provision of money lending services and consulting services. The Lender is controlled by China Huarong Asset Management Co., Ltd., a joint stock limited liability company incorporated in the PRC whose shares are listed on the Stock Exchange and provides financial services in areas such as distressed asset management, asset management, banking, securities, trust, financial leasing, investment, futures and consumer finance. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Lender and its ultimate beneficial owners are Independent Third Parties.

Yonghong

Yonghong is a company incorporated under the laws of Hong Kong with limited liability. It is an investment holding company with its subsidiaries principally engaged in property development. As at the date of this announcement, Yonghong is owned as to 30% by Ms. Qian, an executive Director and chairman of the Board, and as to 70% by Mr. Derek Chu, son of Ms. Qian and a Controlling Shareholder.

REASONS FOR AND BENEFITS OF PROVISION OF THE FINANCIAL ASSISTANCE

The Company was incorporated in Bermuda with limited liability. It is an investment holding company with its subsidiaries principally engaged in rental of property, property and hotel development, and investment in centralised heat supply.

During the year ended 31 December 2020 and the first half year of 2021, the Group has been liaising with the lenders for an amicable repayment schedule and negotiating with other financial institutions for refinance the loan under the Listco Facility Agreement. However, as the PRC economy is not yet fully recovered from the COVID-19 pandemic, the banks and financial institutions are cautious in approving and/or renewing loan facilities and even restrain their internal financing policies. In view of the difficulties in obtaining new loan facilities and the need to continue the construction of properties in Xiangtan Project so as to generate income for the Group's operation, the Company needs to secure the support from the Controlling Shareholders to restructure and renew the Listco Facility Agreement. In this regard, the Group agreed to provide Corporate Guarantees and Property Mortgage to secure the repayment obligations of Yonghong under the Amended YH Facility Agreement. In the premises, the Directors (excluding the independent non-executive Directors who will give their view on the terms of the financial assistance after reviewing the advice from the independent financial adviser) consider that the provision of financial assistance to Yonghong are fair and reasonable and the entering into of the Security Documents is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The provision of Corporate Guarantees and Mortgaged Properties under the respective Security Documents to secure all the repayment obligations of Yonghong under the Amended YH Facility Agreements constitute financial assistance provided by the Group to Yonghong. As one of the applicable percentage ratios in respect of the Security Documents is more than 25%, the provision of financial assistance constituted a major transaction on the part of the Company under the Listing Rules. In addition, the asset ratio for the provision of financial assistance under the Security Documents exceeded 8%, the provision of financial assistance constituted advances to an entity under Rule 13.13 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

As at the date of this announcement, Yonghong is a company owned as to 30% by Ms. Qian, an executive Director and chairman of the Board, and as to 70% by Mr. Derek Chu, son of Ms. Qian and a Controlling Shareholder. Yonghong is an associate of Ms. Qian and Mr. Derek Chu respectively. As such, Yonghong is a connected person of the Company, and the provision of financial assistance to Yonghong pursuant to the Security Documents constituted a non-exempted connected transaction on the part of the Company under Chapter 14A of the Listing Rules and the Security Documents are subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. Ms. Qian, who has a material interest in the Security Documents and the transactions contemplated thereunder, had abstained from voting on the resolutions of the Board approving the Security Documents and the transactions contemplated thereunder.

Each of the Security Documents is subject to, among others, the approval by the Independent Shareholders at the SGM. Each of Yonghong, Ms. Qian, Mr. Derek Chu and their respective associates is required to abstain from voting on the resolution(s) at the SGM to approve the Security Documents. As at the date of this announcement, Keyne Holdings, Ms. Qian, Mr. Derek Chu and their respective associates are, in aggregate, interested in 2,073,549,197 Shares, representing approximately 58.10% of the issued share capital of the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders as to the fairness and reasonableness in respect of the Security Documents. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

A circular containing, among other matters, further details of the Security Documents, the recommendation of the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the

Independent Shareholders, the financial information of the Group and a notice to convene the SGM will be despatched to the Shareholders on or before 24 August 2021 as more time is required to prepare the information to be included in the circular.

DEFINITIONS

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

“Amended Listco Facility Agreements”	collectively, the Listco Facility Agreement and the Listco Restructuring and Amendment Deed
“Amended YH Facility Agreements”	collectively, the YH Facility Agreement and the YH Restructuring and Amendment Deed
“Board”	the board of Directors
“Brilliant Field”	Brilliant Field Corporation Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Chengdu Project Company”	Chengdu Zhongfa Huanghe Industrial Company Limited [#] (成都中發黃河實業有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Company”	KEYNE LTD, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Connected Guarantors”	collectively, Ms. Qian, Mr. Peter Zhu, Mr. Derek Chu, Keyne Holdings and Yonghong
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules and, in the context of this announcement means, Mr. Derek Chu and Keyne Holdings
“Corporate Guarantee Agreement A”	the corporate guarantee executed by Hunan Project Company A in favour of the Lender, guaranteeing all the repayment obligations of Yonghong under the Amended YH Facility Agreements
“Corporate Guarantee Agreement B”	the corporate guarantee executed by Hunan Project Company B in favour of the Lender, guaranteeing all the repayment obligations of Yonghong under the Amended YH Facility Agreements

“Corporate Guarantees”	collectively, the corporate guarantees given under the Corporate Guarantee Agreement A and the Corporate Guarantee Agreement B respectively
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Lender notifies the Company that all the conditions precedent to the Listco Restructuring and Amendment Deed have been fulfilled to its satisfaction
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hunan Project Companies”	collectively, Hunan Project Company A and Hunan Project Company B
“Hunan Project Company A”	Hunan Jiuhoa Oriental Hotel Company Limited [#] (湖南九華東方酒店有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Hunan Project Company B”	Hunan Jiuhoa International New City Development Construction Company Limited [#] (湖南九華國際新城開發建設有限公司), a company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors established to advise the Independent Shareholders in respect of the Security Documents
“Independent Shareholder(s)”	Shareholder(s) other than Ms. Qian, Mr. Peter Zhu, Mr. Derek Chu, Yonghong and their respective associates
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which is/are independent of and not connected with (within the meaning of the Listing Rules) any of the directors, chief executives or substantial shareholders of the Company or subsidiaries of the Company or any of their respective associates
“Keyne Holdings”	Keyne Holdings Limited, a company incorporated in the Cayman Islands, which is wholly-owned by Mr. Derek Chu as at the date of this announcement

“Lender”	China Huarong International Holdings Limited (中國華融國際控股有限公司), a company incorporated under the laws of Hong Kong with limited liability, being the lender of the Revised YH Loan Facility and Revised Listco Loan Facility
“Listco Facility Agreement”	the facility agreement dated 18 December 2017 entered into among the Company as borrower, the Lender as lender and the Connected Guarantors as guarantors, in relation to the provision of the facility in the principal of up to US\$42,000,000 by the Lender to the Company
“Listco Restructuring and Amendment Deed”	the restructuring and amendment deed dated 30 June 2021 executed by the Company as borrower and the Connected Guarantors as guarantors in favour of the Lender to restructure and amend the terms of the Listco Facility Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mortgaged Properties”	the phrase two of a residential complex named “金奧湘江公館” (transliterated as Jinao Xiangjiang Apartment) located at No. 89 Yanjiang North Road, Xiangtan Economic and Technological Development Zone, Xiangtan, Hunan Province, the PRC comprising several pieces and parcels of land with land certificate number of Tan Jiu Guo Yong (2013) No. A01067 and Tan Jiu Guo Yong (2013) No. A01068 and all the messuages erections and buildings thereon with the real estate title certificate number of Xiang (2019) No. 0017408 and owned by Hunan Project Company B
“Mr. Derek Chu”	Mr. Derek Chu, son of Ms. Qian, the ultimate beneficial owner of the entire issued share capital of Keyne Holdings as at the date of this announcement, and a Controlling Shareholder
“Mr. Peter Zhu”	Mr. Peter Zhu, spouse of Ms. Qian
“Ms. Qian”	Ms. Qian Ling Ling, an executive Director and chairman of the Board
“Obligors”	collectively, the Connected Guarantors and two associated companies of the Controlling Shareholders, namely, Nanjing Jingao Real Estate Development Company Limited [#] (南京金高房地產開發有限公司) and Yangzhou Project Company

“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Profit Source”	Profit Source International Limited 鵬豐國際有限公司, a company established under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Property Mortgage”	a fourth ranking mortgage executed by Hunan Project Company B in favour of the Lender, pursuant to which Hunan Project Company B shall mortgage the Mortgaged Properties to secure all the repayment obligations of Yonghong under the Amended YH Facility Agreements
“Revised YH Loan Facility”	the revised loan facility in the principal of US\$34,900,000 from the Lender to Yonghong pursuant to the YH Restructuring and Amendment Deed
“Revised Listco Loan Facility”	the revised loan facility in the principal of US\$34,900,000 from the Lender to Company pursuant to the Listco Restructuring and Amendment Deed
“Security Documents”	collectively, the Corporate Guarantee Agreement A, the Corporate Guarantee Agreement B and the Property Mortgage
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the Security Documents and the transactions contemplated thereunder
“Share(s)”	the share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Xiangtan Project”	the property and hotel development project in Xiangtan, Hunan Province, the PRC owned by the Group
“Yangzhou Project Company”	Yangzhou Yatai Zhiye Company Limited [#] (揚州亞太置業有限公司), a company directly wholly-owned by Yonghong
“YH Facility Agreement”	the facility agreement dated 18 December 2017 entered into, among Yonghong as borrower, the Lender as lender and the YH Guarantors as guarantors, in relation to the provision of the principal of up to US\$40,000,000 by the Lender to Yonghong

“YH Guarantors”	collectively, Ms. Qian, Mr. Peter Zhu, Mr. Derek Chu and Keyne Holdings
“YH Restructuring and Amendment Deed”	the restructuring and amendment deed dated 30 June 2021 executed by Yonghong as borrower and the YH Guarantors as guarantors in favour of the Lender to restructure and amend the terms of the YH Facility Agreement
“Yonghong”	Ever Harmony Enterprises Limited 永鴻企業有限公司, a company incorporated under the laws of Hong Kong with limited liability, and is owned as to 30% by Ms. Qian and as to 70% by Mr. Derek Chu as at the date of this announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

By order of the Board

KEYNE LTD

ZHANG LI

Executive Director and Chief Executive Officer

Hong Kong, 30 June 2021

As at the date of this announcement, the Board comprises six Directors, of which the executive Directors are Ms. Qian Ling Ling (Chairman), Mr. Zhang Li (Chief Executive Officer) and Mr. Xiang Junjie; and the independent non-executive Directors are Mr. Tsui Pui Hung, Mr. Tang Ping Sum and Mr. Chiu Sin Nang, Kenny.

In this announcement, translated English names of Chinese entities for which no official English translation exists are unofficial translations for identification purposes only, and in the event of any inconsistency between the Chinese names and their English translation, the Chinese names shall prevail.