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MODERN LAND (CHINA) CO., LIMITED

當代置業（中國）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1107 and Debt Stock Code: 40525)

1. POSSIBLE IMPACT OF THE NON-PAYMENT ON OTHER FINANCING ARRANGEMENTS; 2. WITHDRAWAL OF RECOMMENDATION FOR PAYMENT OF 2021 INTERIM DIVIDEND; AND 3. CONTINUED HALT IN TRADING

This announcement is made by Modern Land (China) Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 and Rule 13.19 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 26 October 2021 (the “**Announcement**”) in relation to the non-payment of the outstanding principal amount of the 12.85% senior notes due 2021 issued by the Company and listed on the Singapore Exchange Securities Trading Limited (ISIN No.: XS1986632716, Common Code: 198663271) (the “**2021 Notes**”) and any accrued but unpaid interest when they fell due on 25 October 2021 (the “**Non-payment**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company would like to provide further updates on the financial position of the Group and information on the events subsequent to the Non-payment as set out in this announcement.

1. POSSIBLE IMPACT OF THE NON-PAYMENT ON OTHER FINANCING ARRANGEMENTS

The Non-payment in respect of the 2021 Notes as disclosed in the Announcement has (or may have) triggered the possible acceleration of the repayment of certain other existing material financing arrangements of the Group (the “**Other Financing Arrangements**”), including without limitation the 9.8% green senior notes due 2023 issued by the Company and listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (stock code: 40525) (the “**2023 Notes**”), whereby the relevant creditors have (or may have) the right to demand payment of the indebtedness and/or take action pursuant to the terms of their financing arrangements.

As at the date this announcement, the principal amount of the 2023 Notes remaining outstanding is US\$321,000,000, and the Group has not received any notice from the holders of the 2023 Notes in respect of any acceleration action.

The Company has recently received notices from a creditor of the offshore debt obligations of the Group demanding early repayment of the outstanding principal amount and accrued interests in the amount of approximately US\$23.6 million and declaring certain related security arrangement enforceable in connection with a facility agreement entered into amongst a subsidiary of the Company as borrower, the Company as guarantor and the creditor, as a result of the Non-payment. The Group is in discussion with the creditor for a waiver in respect of the acceleration and enforcement actions.

The Board and the management of the Company are currently ascertaining the repayment obligations of the Group and the aggregate amount of the Other Financing Arrangements which are subject to possible acceleration action by the relevant creditors, and will update the market in due course.

As disclosed in the Announcement, the Company expects to engage independent financial advisors soon to assist it in formulating an overall plan taking into account the interests of onshore and offshore stakeholders. The Company has now shortlisted several candidates and will make a decision on the engagement of the financial adviser shortly. The Company will make further announcement once the engagement of the financial advisor has been confirmed.

2. WITHDRAWAL OF RECOMMENDATION FOR PAYMENT OF 2021 INTERIM DIVIDEND

References are made to the interim results announcement of the Company dated 16 August 2021 (the “**Interim Results Announcement**”), the cash dividend announcement dated 16 August 2021 and the interim report of the Company for the six months ended 30 June 2021 (the “**Interim Report**”).

As disclosed in the Interim Results Announcement and the Interim Report, at the meeting of the Board held on 16 August 2021, the Board declared an interim dividend of HK4.81 cents per share for the six months ended 30 June 2021 (the “**2021 Interim Dividend**”). The 2021 Interim Dividend (which would amount to approximately HK\$134.4 million in aggregate) was expected to be paid on or before 5 November 2021 to those shareholders of the Company whose names appeared on the Company’s register of members on 22 October 2021.

In light of the unexpected liquidity issue faced by the Group, in order to preserve the cash resources of the Group for its operations and for better working capital management purposes, the Board has resolved to withdraw its recommendation for payment of the 2021 Interim Dividend.

3. CONTINUED HALT IN TRADING

At the request of the Company, trading in the shares and debt securities of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on 21 October 2021. Trading of the shares and debt securities of the Company will remain halted until further notice.

Shareholders and other investors of the Company are advised not to rely solely on the information contained in this announcement and should exercise caution when dealing in the securities of the Company. When in doubt, the Shareholders and other investors of the Company are advised to seek professional advice from their own professional or financial advisers.

By order of the Board
Modern Land (China) Co., Limited
Zhang Peng
President and Executive Director

Hong Kong, 1 November 2021

As at the date of this announcement, the Board comprises ten Directors, namely executive Directors: Mr. Zhang Lei, Mr. Zhang Peng and Mr. Chen Yin; non-executive Directors: Mr. Fan Qingguo, Mr. Chen Zhiwei and Mr. Zeng Qiang; and independent non-executive Directors: Mr. Cui Jian, Mr. Hui Chun Ho, Eric, Mr. Gao Zhikai and Mr. Liu Jiaping.