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Zhenro Properties Group Limited

正榮地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6158)

**INSIDE INFORMATION IN RELATION TO INTEREST PAYMENT DUE
IN APRIL AND MAY 2022 FOR THE FOLLOWING SENIOR NOTES AND
DELISTING OF THE APRIL 2021 NOTES
(STOCK CODE: 40648)**

Notes	ISIN/Common Code	Stock code
8.3% Senior Notes due 2023 (the “ June 2020 Notes ”)	XS2185842924/218584292	40250
8.35% Senior Notes due 2024 (the “ May 2020 Notes ”)	XS2152219973/215221997	40225
7.875% Senior Notes due 2024 (the “ January 2020 Notes ”)	XS2099413093/209941309	40116
7.1% Senior Notes due 2024 (the “ June 2021 Notes ”)	XS2346158822/234615882	40715
7.35% Senior Notes due 2025 (the “ September 2020 Notes ”)	XS2226898216/222689821	40375

This announcement is made by Zhenro Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09, 13.19, 37.47A, 37.47B and 37.47E of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company hereby announces that the interest payments in the amount of US\$8,350,000 under the May 2020 Notes and US\$12,070,000 under the June 2021 Notes became due and payable on 10 March 2022. Under the terms of the May 2020 Notes, the June 2021 Notes, September 2020 Notes, June 2020 Notes and January 2020 Notes, the Company has a grace period of 30 days to pay the interest. During the past few weeks, due to the COVID lockdown situation in Shanghai, some of the operations of the Company have been halted, and the progress of sales and the asset disposal have been delayed. Owing to such unforeseen scale and duration of lockdown in Shanghai apart from various unfavorable factors such as real estate market environment and financial environment, the Group’s liquidity has experienced periodic problems and therefore the Company did not make the interest payment before the last day of the grace period on 9 April 2022 for each of the May 2020 Notes and June 2021 Notes (the “**Non-Payment of the May 2020 Notes and the June 2021 Notes**”), and such non-payment of interest constituted event of default under the May 2020 Notes and the June 2021 Notes. Furthermore, as of the date of this announcement, as a result of the aforementioned circumstances, the Company expects that it may not be in position to pay interest in the amount of US\$12,862,500, US\$8,300,000 and US\$11,418,800 before expiry of grace period for each of the September 2020 Notes, June 2020 Notes and January 2020 Notes (the “**Expected Non-Payment of the September 2020 Notes, June 2020 Notes and January 2020 Notes**”). The interest payment date for each of the September 2020 Notes, June 2020 Notes and January 2020 Notes are 11 March 2022, 15 March 2022 and 14 April 2022, respectively and the last day of grace period for each of the September 2020 Notes, June 2020 Notes and January 2020 Notes are 10 April 2022, 14 April 2022 and 14 May 2022, respectively. The Expected Non-Payment of the September 2020 Notes, June 2020 Notes and January 2020 Notes will constitute event of default under the September 2020 Notes, June 2020 Notes and January 2020 Notes upon expiration of the relevant grace period; as of the date of this announcement, such event of default has not occurred.

Despite delay of interest payments for the time due to the aforementioned circumstances, the Company intends to make interest payments for each of the May 2020 Notes, the June 2021 Notes, September 2020 Notes, June 2020 Notes and January 2020 Notes no later than 31 May 2022. The Company is making its best efforts with an aim to meeting all its debt obligations and the Company believes that this goal can be achieved if more time is given to it to arrange payment in light of the current pandemic situation.

Pursuant to the respective indenture of the May 2020 Notes and the June 2021 Notes, if an event of default has occurred (such as 30-day grace period lapses) and is continuing, holders of at least 25% in aggregate principal amount of the relevant senior notes then outstanding may, by written notice to the Company and to the trustee, declare the principal of, premium, if any, and accrued and unpaid interest on the relevant senior notes to be immediately due and payable. As of the date of this announcement, the Company has not received such acceleration notice as a result of the Non-Payment of the May 2020 Notes and the June 2021 Notes, As such, as of the date of this announcement, (i) the Non-Payment of the May 2020 Notes and the June 2021 Notes and (ii) the Expected Non-Payment of the September 2020 Notes, June 2020 Notes and January 2020 Notes have not triggered any cross-default under the terms of the securities as set out in the following table.

Description of Debt Securities	ISIN/Common Code	Stock code
9.15% Senior Notes due 2023	XS2076026983/207602698	40047
6.63% Senior Notes due 2026	XS2279711779/227971177	40516
6.7% Senior Notes due 2026	XS2293750670/229375067	40572
5.95% Senior Notes due March 2022	XS2308085112/230808511	Not applicable
5.98% Senior Notes due April 2022	XS2329241447/232924144	40648
7.125% Senior Notes due June 2022	XS2358480155/235848015	86008
8.70% Senior Notes due August 2022	XS2050860308/205086030	40008
6.50% Senior Notes due September 2022	XS2383329237/238332923	40826
8.0% Senior Notes due March 2023	XS2449192942/244919294	5100
8.0% Senior Notes due March 2023	XS2449193320/244919332	86029
Senior Perpetual Capital Securities	XS2013512608/201351260	4596

Pursuant to the terms of the 5.98% Senior Notes due April 2022 (the “**April 2021 Notes**”), all outstanding principal amount on April 2021 Notes together with the accrued and unpaid interest thereon are due and payable on the maturity date of 13 April 2022. As of the date of this announcement, the Company expects that it may not be in position for repayment of principal or interest on remaining outstanding principal amount of the April 2021 Notes of US\$23,361,000 on 13 April 2022. Such non-payment of interest will constitute an event of default under the April 2021 Notes upon expiration of the 30-day grace period and there is no grace period for the repayment of principal; as of the date of this announcement, such event of default has not occurred.

DELISTING OF THE APRIL 2021 NOTES

Notice is also given that as the April 2021 Notes will mature on 13 April 2022, the April 2021 Notes will be delisted from the Stock Exchange upon its maturity. After withdrawal of listing on the Stock Exchange, noteholders requiring further information in relation to the April 2021 Notes may contact the Company at 62/F, Bank of China Tower, 1 Garden Road, Central, Hong Kong or ir@zhenro.com.

The Company will continue to closely monitor the development of this matter and will make further announcement(s) if the Company is aware of any further development in this regard.

Shareholders of the Company and other investors are reminded to consider the related risks and exercise caution when dealing in the securities of the Company.

By Order of the Board
Zhenro Properties Group Limited
Chairman of the Board
Huang Xianzhi

Hong Kong, 10 April 2022

As at the date of this announcement, the executive Directors are Mr. Huang Xianzhi, Mr. Liu Weiliang, Mr. Li Yang and Mr. Chan Wai Kin, the non-executive Director is Mr. Ou Guowei, and the independent non-executive Directors are Dr. Loke Yu (alias Loke Hoi Lam), Mr. Wang Chuanxu and Mr. Lin Hua.