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Poly Property Group Co., Limited

保利置業集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00119)

VOLUNTARY ANNOUNCEMENT ESTABLISHMENT OF ASSET-BACKED SECURITIES PROGRAMME

The board of directors (the “**Board**”) of Poly Property Group Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that the establishment of the “Industrial Securities Assets Management-Poly Property-Poly Hyatt Regency Hotel Asset-Backed Securities Programme”* (興證資管-保利置業-保利凱悅假日酒店資產支持專項計劃) (the “**Asset-Backed Securities Programme**”) was completed on 10 May 2022.

Under the Asset-Backed Securities Programme, Poly Property Group Co., Ltd.* (保利置業集團有限公司) (the “**Shanghai Poly Property**”), a wholly-owned subsidiary of the Company incorporated in the People's Republic of China (the “**PRC**”), issues commercial mortgage-backed securities (“**Commercial Asset-Backed Securities**”) to qualified investors in the PRC.

Industrial Securities Asset Management Co., Ltd.* (興證證券資產管理有限公司) is the manager of the Asset-Backed Securities Programme. The total issue size of the Asset-Backed Securities Programme is RMB1.046 billion, including two tranches, RMB1.045 billion priority and RMB1 million subordinated, and will be listed on the Shanghai Stock Exchange:

1. The Priority Tranche - The issue size of the Commercial Asset-Backed Securities is RMB1.045 billion which have been rated "AAA" by an independent rating agency, with a term of 3+3+3+3 years and a coupon rate of 3.58% (“**Priority Tranche**”); and
2. The Subordinated Tranche - The issue size of the Commercial Asset-Backed Securities is RMB1 million, with no term which is held by Shanghai Poly Property with no coupon rate and no public offering to the market (“**Subordinated Tranche**”).

The proceeds from the issue of the Commercial Asset-Backed Securities will be used for general working capital purpose and repayment of bank loans of the Group. The Board is in the opinion that the issue of the Commercial Asset-Backed Securities under the Asset-Backed Securities Programme would optimize the Group's overall debt structure and maintain the finance costs at a reasonable level.

The credit ratings in relation to the Priority Tranche mentioned herein is strictly for information purposes only. Such ratings do not constitute a recommendation to buy, sell or hold any securities of the Company.

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

By order of the Board
Poly Property Group Co., Limited
WAN Yuqing
Chairman

Hong Kong, 10 May 2022

As at the date of this announcement, the executive directors of the Company are Mr. Wan Yuqing, Mr. Wang Jian and Mr. Ye Liwen, the non-executive director of the Company is Mr. Guo Jianquan, and independent non-executive directors of the Company are Mr. Ip Chun Chung, Robert, Mr. Fung Chi Kin, Miss Leung Sau Fan, Sylvia and Mr. Wong Ka Lun.

** For identification purpose only*