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## 天譽置業 (控股) 有限公司

### SKYFAME REALTY (HOLDINGS) LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00059 and Bonds Stock Code: 5310, 5311, 5367, 5379, 5567, 5580, 5602, 5626, 5821 and 5855)**

### INSIDE INFORMATION

This announcement is made by Skyfame Realty (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### BACKGROUND

Since the second half of 2021, the real estate market has deteriorated sharply, and the financing environment of private real estate enterprises has almost suddenly frozen. The combination of various unfavorable factors has caused the industry to experience unprecedented pressure. Most real estate enterprises have encountered liquidity difficulties. With companies competing to sell inventory, the situation of the industry was even direr. In 2021, China's real estate industry experienced the most stressful and dismal year in its history.

Although the Group had taken a decisive step at the beginning of the year to contract its business, suspend all land acquisitions and investments, vigorously promoted the development strategy of refocusing on the Guangdong-Hong Kong-Macao Greater Bay Area with Guangzhou as the center. At the same time, the Group determinedly expand the assets disposal plan and such strategies as strengthening capital recovery, attaching great importance to cash flow safety. In 2021, the Group repaid offshore US dollars notes of approximately US\$200 million in principal and interest, which protected the rights and interests of creditors, and also guaranteed the security of the Group's cash flow, demonstrating the resilience of the Group's development.

However, since the beginning of 2022, the capital market has still eluded the normal financing needs of the real estate industry, especially all offshore refinancing has been stopped. The Group's financing environment also unable to achieve any expected improvement. The Group's active promotion of various funding schemes, including asset

disposal and equity financing, were also difficult. At the same time, the Group's sales were affected by the epidemic and the continued economic downturn. Buyers wait-and-see atmosphere is strong. In the first five months of 2022, the contracted sales subscription amount shrank by 63% year-on-year. In the first five months of 2022, even with nothing new offshore financing and sluggish property sales, the Group in aggregate has repaid principal and interest of approximately RMB 2.89 billion to banks and other creditors. A number of principal and interest of certain debts are still mature in 2022, but the Group still does not see any signals of improvement in the offshore refinancing environment. All these make the Group facing unprecedented liquidity pressure at this stage.

## **SENIOR NOTES**

### **(1) July 2022 Senior Notes**

Both the principal and interest of the 13% interest-bearing senior notes due on 8 July 2022 (ISIN: XS2022224047) issued by the Company and listed on the Singapore Exchange Securities Trading Limited ("SGX") are due on 8 July 2022, of which the principal amount outstanding was US\$247,000,000, the interest payable on maturity date was US\$16,055,000 (The Company has a grace period of 30 days to make the interest payment).

### **(2) December 2023 Senior Notes**

Currently, the outstanding principal of the 13% interest-bearing senior notes due 16 December 2023 issued by a subsidiary of the Company and listed on SGX (ISIN: XS2272702338) is \$292,000,000. Interest to be paid on 16 June 2022 and 16 December 2022, respectively, is US\$18,980,000 (The Company has a grace period of 30 days to make the interest payment).

As of the date of this announcement, the Company has not received any acceleration notice from the holders of the above-mentioned senior notes. For the principal and interest of the aforesaid senior notes that are about to become due, the Group will actively seek to resolve the corresponding issues with the holders of such notes in a manner agreeable to the parties within a reasonable period of time.

At the same time, in order to best protect the interests of all stakeholders of the Group, the Company is seeking advice from relevant professional intermediaries to assist in assessing the Group's capital structure and its liquidity position and exploring all feasible solutions to ease the current liquidity constraints.

If the Company fails to meet its financial obligations when due and is unable to reach a timely resolution with its creditors, it may result in the acceleration of relevant financial obligations, etc., and may lead to cross-default of certain debts.

The board of directors and the management of the Company will closely monitor the development of the aforesaid issues, constantly assess the potential impact of these events on the business development and financial conditions of the Group, and make further announcement in due course in respect of any material update.

**Shareholders and other investors of the Company are advised to exercise caution when dealing in the securities of the Company and, if in doubt, may seek professional advice from their own professional or financial advisors.**

By order of the Board  
**Skyfame Realty (Holdings) Limited**  
**YU Pan**  
*Chairman*

Hong Kong, 15 June 2022

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. YU Pan (Chairman), Mr. WEN Xiaobing, Mr. WANG Chenghua and Mr. JIN Zhifeng; one non-executive Director, namely Mr. WONG Lok; and three independent non-executive Directors, namely Mr. CHOY Shu Kwan, Mr. CHENG Wing Keung, Raymond, Ms. CHUNG Lai Fong, Mr. WEN Xiaojing, Mr. CUI Yuan and Ms. TANG Yu.*