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# 三盛控股

Sansheng Holdings (Group) Co. Ltd.

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三盛控股(集團)有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2183)**

### **Offer to Exchange at least a Minimum Acceptance Amount of the Outstanding 13.0% Senior Notes Due 2022**

<b>Description of Debt Securities</b>	<b>Outstanding Amount</b>	<b>ISIN/Common Code</b>	<b>Minimum Acceptance Amount</b>	<b>Exchange Consideration per US\$1,000 of applicable Existing Notes (as defined herein) tendered for exchange</b>
13.0% Senior Notes Due 2022 (the “Existing Notes”)	US\$100,000,000	XS2351081943/ 235108194	US\$90,000,000	US\$1,065 in aggregate principal amount of the New Notes (as defined below), including the Accrued Interest (as defined below) payable in the form of New Notes.

**Dealer Manager**

**CMB International Capital**

## **INTRODUCTION**

On the date of this announcement, we commenced the offer to exchange (the “**Exchange Offer**”) at least US\$90,000,000 or 90% of the outstanding principal amount of Existing Notes (the “**Minimum Acceptance Amount**”) held by Eligible Holders upon the terms and subject to the conditions set forth in the exchange offer memorandum dated 22 June 2022 (the “**Exchange Offer Memorandum**”).

The Exchange Offer, once consummated, is intended to enable us to refinance the Existing Notes and improve our liquidity position.

Capitalised terms used and not otherwise defined in this announcement have the same meanings given in the Exchange Offer Memorandum.

## **BACKGROUND AND PURPOSE OF THE EXCHANGE OFFER**

During the second half of 2021, Chinese property developers and the capital markets that have funded growth and development of the sector have experienced a turning point. Reduced bank lending for real estate development has resulted in reduced access by property developers to onshore capital. In addition, reduced bank lending for mortgage finance for buyers, as well as concerns of buyers about the ability of property developers to complete projects, has resulted in reduced property sales. Adverse reaction to these onshore events by offshore capital markets has made access to offshore capital difficult for property developers and has limited the Group’s funding sources to address upcoming maturities.

Despite the adverse market environment, we are working on generating sufficient cash flow to meet our financial commitments, including, among others, through extension of our existing debt obligations, opportunistic financing and expenditure conservation. As part of these efforts, we are conducting the Exchange Offer to improve our financial condition, extend our debt maturity profile, improve cash flow management and enhance our ability to satisfy our debt obligations. We are offering Eligible Holders of the Existing Notes an opportunity to exchange their Existing Notes for the New Notes (as defined below) with an extended maturity and terms designed to allow us to improve our financial condition and stability

## **THE EXCHANGE OFFER**

Upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum, the Company is offering to exchange at least the Minimum Acceptance Amount of the Existing Notes held by Eligible Holders for the Exchange Consideration for the outstanding Existing Notes that is validly tendered on or prior to the Expiration Deadline and accepted for exchange.

Eligible Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer will, from and including the Settlement Date, waive any and all rights with respect to the Existing Notes (other than the right to receive the relevant components of the applicable Exchange Consideration) and will release and discharge us from any and all claims such holders may have, now or in the future, arising out of or related to such Existing Notes, including any and all accrued and unpaid interest thereon.

**The Exchange Offer will only be made to, and the New Notes, the Subsidiary Guarantees are being offered and will be issued only to, eligible holders who are non-U.S. persons located outside the United States (as those terms are defined in Regulation S under the Securities Act) and are not Sanctions Restricted Persons (as defined in the Exchange Offer Memorandum) in exchange for their Existing Notes through Euroclear and Clearstream or certain fiduciaries holding accounts for the benefit of non-U.S. persons outside the United States (as those terms are defined in Regulation S under the Securities Act) with the Existing Notes held through Euroclear and Clearstream (the “Eligible Holders”).**

#### ***Minimum Acceptance Amount***

The minimum aggregate principal amount of the Existing Notes, being US\$90,000,000, or 90% of the outstanding principal amount of the Existing Notes, for which valid tenders are received and that the Company will determine, in its sole discretion, whether it will accept for exchange pursuant to the Exchange Offer.

**Unless waived by us, if we receive valid tenders of the Existing Notes for less than the Minimum Acceptance Amount, we will not proceed with the Exchange Offer and the Exchange Offer shall lapse automatically.**

**We reserve the right, in our sole discretion, to amend or waive the conditions to the Exchange Offer, including the Minimum Acceptance Amount, in accordance with the terms of this Exchange Offer.**

#### ***Exchange Consideration***

For each US\$1,000 principal amount of the outstanding Existing Notes that is validly tendered prior to the Expiration Deadline and accepted for exchange, an Eligible Holder of the Existing Notes will receive the exchange consideration (the “**Exchange Consideration**”) consisting of US\$1,065 in aggregate principal amount of the US\$ denominated Senior Notes due 2023 (the “**New Notes**”), including the Accrued Interest (as defined below) payable in the form of New Notes.

Accrued and unpaid interest on any Existing Notes validly tendered by Eligible Holders and accepted for exchange, from (and including) the immediately preceding interest payment date for the Existing Notes to (but excluding) the Settlement Date, will be payable in the form of New Notes rather than cash (the “**Accrued Interest**”)

Any fractional amounts of the New Notes will be forfeited.

The Existing Notes are unconditionally and irrevocably guaranteed by certain of our subsidiaries (together, the “**Subsidiary Guarantors**”). We refer to the guarantees by the Subsidiary Guarantors as the “Subsidiary Guarantees”. The New Notes will also be guaranteed by the Subsidiary Guarantors.

### ***Conditions to the Exchange Offer***

Our obligation to consummate the Exchange Offer is conditional upon the following:

- (a) not less than the Minimum Acceptance Amount of the Existing Notes shall have been validly tendered prior to the Expiration Deadline;
- (b) there being no material adverse change in the market from the date of this Exchange Offer Memorandum to the Settlement Date;
- (c) an affirmative determination by us that accepting the exchanges, paying the Exchange Consideration and effecting the transactions contemplated hereby are in our best interests; and
- (d) the satisfaction of the other conditions described in the Exchange Offer Memorandum

Subject to applicable law, we may terminate or withdraw the Exchange Offer if any of the conditions are not satisfied or waived by us by the Settlement Date. We may also extend the Exchange Offer from time to time until the conditions are satisfied or waived.

Although we have no present plans or arrangements to do so, we reserve the right to amend, modify or waive, at any time, the terms and conditions of the Exchange Offer, subject to applicable law. We will give you notice of any amendments, modifications or waivers as and if required by applicable law.

**Participating Eligible Holders of the Existing Notes should be mindful that they are authorising the relevant Clearing System to block their position in the Existing Notes until the Settlement Date, or termination or withdrawal of the Exchange Offer.**

**SUMMARY TIMETABLE**

The following summarises the current schedule for the Exchange Offer. Please note that the expiration of the Exchange Offer and the settlement of the New Notes, as well as the other events listed below, may be earlier or later than indicated below. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this Exchange Offer Memorandum.

In relation to the time and dates indicated below, Eligible Holders of the Existing Notes should note the particular practices and policies of the relevant Clearing System regarding their communications deadlines, which will determine the latest time at which tenders of the Existing Notes for exchange may be delivered to the relevant Clearing System (which may be earlier than the deadlines set forth below) so that they are received by the Information and Exchange Agent within the deadlines set forth below.

All notices to Eligible Holders of the Existing Notes will be released through delivery to the Clearing Systems for communication to direct participants.

<b>Date</b>	<b>Event</b>
22 June 2022	Commencement of the Exchange Offer and announcement via the websites of The Hong Kong Stock Exchange Limited (the “ <b>HKSE</b> ”) and the Exchange Website and through Euroclear or Clearstream, as applicable.  Exchange Offer Memorandum will be made available to Eligible Holders of the Existing Notes on the Exchange Website.
28 June 2022 (4:00 p.m., London time)	Expiration Deadline. This being the last date and time on which Eligible Holders of the Existing Notes who validly tender Existing Notes are eligible to receive the relevant Exchange Consideration, as this is the last date and time for Eligible Holders of the Existing Notes to participate in the Exchange Offer.

As soon as practicable after the Expiration Deadline	Announcement of (i) the amount of valid tenders for exchange received prior to the Expiration Deadline, (ii) the final aggregate principal amount of Existing Notes accepted for exchange, and (iii) the final aggregate principal amount of the New Notes to be issued to investors in exchange for the Existing Notes validly tendered, accepted and exchanged.
On or about 1 July 2022	Subject to satisfaction of the conditions as set forth in the Exchange Offer Memorandum, settlement of the New Notes, delivery of the Exchange Consideration to Eligible Holders whose Existing Notes have been validly tendered and accepted for exchange.

All references in this Exchange Offer Memorandum to times are to Hong Kong times, unless we state otherwise. The above dates are indicative only.

We reserve the right to extend or earlier terminate the Expiration Deadline in our sole discretion. In such a case, the date on which the subsequent announcement relating to the Exchange Offer will be delivered and the Settlement Date will be adjusted accordingly. Eligible Holders of the Existing Notes should inform themselves of any earlier deadlines that may be imposed by Euroclear or Clearstream, as applicable, and/or any intermediaries, which may affect the timing of the submission of an instruction for exchange.

Unless stated otherwise, announcements in connection with the Exchange Offer will be made by publication on HKSE, on the Exchange Website and by the delivery of notices to the Clearing Systems for communication to direct participants and may be published via a recognised financial news service or services (e.g. Reuters/Bloomberg) as selected by us. Copies of all such announcements, press releases and notices can also be obtained from the Information and Exchange Agent, the contact details for which are on the last page of the Exchange Offer Memorandum. Significant delays may be experienced where notices are delivered to the Clearing Systems and Eligible Holders of the Existing Notes are urged to contact the Information and Exchange Agent for the relevant announcements during the course of the Exchange Offer.

We intend to publicly announce the commencement date of the Exchange Offer, any extensions of the Expiration Deadline, other notifications or amendments relating to the Exchange Offer and the results of the Exchange Offer by the issue of a press release and/or a notice sent via the Euroclear or Clearstream and announcement on the website of the HKSE and the Exchange Website.

## **FURTHER INFORMATION**

The Company has retained CMB International Capital Limited to act as the Dealer Manager for the Exchange Offer. Questions about the terms of the Exchange Offer should be directed to the Dealer Manager or the Information and Exchange Agent as appropriate at its contact details described in the Exchange Offer Memorandum.

D. F. King Ltd. has been appointed as the Information and Exchange Agent for the Exchange Offer. Questions regarding exchange procedures should be directed to the Information and Exchange Agent at +44 20 7920 9700 in London and +852 3953 7208 in Hong Kong, or via email at [sansheng@dfkingltd.com](mailto:sansheng@dfkingltd.com).

The Exchange Offer Memorandum will be distributed in electronic format to Eligible Holders of the Existing Notes via the Exchange Website: <https://sites.dfkingltd.com/sansheng>. Any requests for additional copies of the Exchange Offer Memorandum should be directed to the Information and Exchange Agent at the above points of contact.

## **GENERAL**

This announcement is not an offer to purchase, a solicitation of an offer to purchase, or a solicitation of an offer to sell, the Existing Notes or the New Notes. An offer may only be made pursuant to the terms of the Exchange Offer Memorandum. Shareholders, Eligible Holders of the Existing Notes and potential investors should note that completion of the Exchange Offer is subject to the fulfillment or waiver of the conditions precedent to the Exchange Offer as set forth in the Exchange Offer Memorandum and summarised in this announcement. No assurance can be given that the exchange offer will be completed and the Company reserves the right to amend, withdraw or terminate any of the exchange offer with or without conditions.

The Company may, in their sole discretion, amend or waive certain of the conditions precedent to the Exchange Offer. As the Exchange Offer may or may not proceed, shareholders, Eligible Holders of the Existing Notes and potential investors should exercise caution when dealing in the securities of the Company or the Existing Notes.

The Exchange Offer is not being made to (nor will the tender of Existing Notes be accepted from or on behalf of) holders in any jurisdiction where the making or acceptance of the Exchange Offer would not comply with the laws of such jurisdiction. If the Company becomes aware of any jurisdiction in which the making of the Exchange Offer, the tender of the Existing Notes would not be in compliance with applicable laws, the Company may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort, if any, the Company cannot comply with any such law, the Exchange Offer will not be made to (nor will tenders be accepted from or on behalf of) any holder residing in such jurisdiction.

## FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Exchange Offer, are based on current expectations, assumptions, estimates and projections about the Company, the Subsidiary Guarantors and the industry in which they operate. These statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Important factors that could cause those differences include, but are not limited to, changes in the competitive environment and regulatory environment of the industry in the PRC relevant to our business, changes in our business and financial condition and our subsidiaries and changes in the general economic trend in the PRC.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings when used herein:

“%”	per cent.
“Board”	the board of Directors
“Company”	Sansheng Holdings (Group) Co. Ltd., a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange (stock code: 2183)
“Clearstream”	Clearstream Banking S.A.
“Clearing Systems”	Euroclear and/or Clearstream (each a “ <b>Clearing System</b> ”)
“Director(s)”	the director(s) of the Company
“Exchange Website”	<a href="https://sites.dfkingltd.com/sansheng">https://sites.dfkingltd.com/sansheng</a> , the website set up by the Information and Exchange Agent for the purposes of hosting the documents relating to the Exchange Offer.
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Information and Exchange Agent”	D.F. King Ltd.
“Group”	the Company and its subsidiaries



“Euroclear”	Euroclear Bank SA/NV
“Shareholder(s)”	holder(s) of the Share(s)
“U.S.” or “United States”	The United States of America
“US\$”	United States dollars, the lawful currency of the United States;
“we”, “our” or “us”	the Company, as the context requires.

By order of the Board  
**Sansheng Holdings (Group) Co. Ltd.**  
**Mr. Lin Rongbin**  
*Chairman*

Hong Kong, 22 June 2022

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Lin Rongbin and Ms. Cheng Xuan; two non-executive Directors, namely Mr. Zhang Jingui and Mr. Zhou Tao, David; and two independent non-executive Directors, namely Mr. Pan Dexiang and Mr. Zhu Hongchao.*