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## Sunkwan Properties Group Limited

上坤地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(the “Company”, Stock Code: 6900)

### OFFER TO EXCHANGE RELATING TO THE FOLLOWING NOTES

Description of Debt Securities	Outstanding Amount	ISIN/Common Code	Stock code	Minimum Acceptance Amount	Exchange Consideration per US\$1,000 of applicable Exchange Notes (as defined herein) tendered for exchange
12.25% senior notes due 2022 (the “Exchange Notes”)	US\$210,000,000	XS2363837258/ 236383725	40773	US\$189,000,000	US\$1,000 in aggregate principal amount of the New Notes and Capitalized Interest

AND

### CONSENT SOLICITATION RELATING TO THE FOLLOWING NOTES

Description of Debt Securities	ISIN	Common Code	Stock code	Outstanding Principal Amount
13.5% senior notes due 2023 (the “Consent Notes”)	XS2417707374	241770737	4307	US\$160,200,000

On July 8, 2022, the Company is conducting the offer to exchange (the “**Exchange Offer**”) for at least US\$189,000,000, or 90%, of the outstanding principal amount of the Exchange Notes (the “**Minimum Acceptance Amount**”) held by non-U.S. persons outside the United States. The Exchange Offer is being made upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum. The principal purpose of the Exchange Offer is to improve the Company’s overall financial condition, extend the Company’s debt maturity profile, strengthen its balance sheet and improve cash flow management.

The Company is also soliciting consents from the Holders of the Consent Notes to certain proposed amendments to the indenture dated as of January 3, 2022 (as supplemented or amended to the date hereof, the “**Consent Notes Indenture**”) by and among the Company, the Subsidiary Guarantors (as defined therein), the JV Subsidiary Guarantors (as defined therein) and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司), as trustee for the Consent Notes upon the terms and subject to the conditions set forth in the Consent Solicitation Statement. The principal purpose of this Consent Solicitation is to amend the events of default provision in the Consent Notes Indenture to carve out any default or event of default in respect of the Consent Notes as a result of a default or event of default occurring under the Exchange Notes, and to amend the insolvency events of default in line with the terms of the proposed new notes to be issued under the Exchange Offer, in accordance with the terms and subject to the conditions set forth in the Consent Solicitation Statement.

## INTRODUCTION

On the date of this announcement, the Company is conducting an exchange offer (the “**Exchange Offer**”) with respect to its outstanding 12.25% senior notes due July 2022 pursuant to the indenture dated July 22, 2021, as amended or supplemented from time to time (the “**Exchange Notes**”) upon the terms and subject to the conditions set forth in the exchange offer memorandum dated July 8, 2022 (the “**Exchange Offer Memorandum**”). The purpose of the Exchange Offer is to improve the Company’s overall financial condition, extend the Company’s debt maturity profile, strengthen its balance sheet and improve cash flow management.

On the date of this announcement, the Company is also soliciting consents (the “**Consent Solicitation**”) from the Holders of the Consent Notes to the Proposed Amendment to the indenture dated as of January 3, 2022 (as amended or supplemented to the date hereof, the “**Consent Notes Indenture**”), by and among the Company, the Subsidiary Guarantors (as defined therein), the JV Subsidiary Guarantors (as defined therein) and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司), as trustee, governing its 13.5% senior notes due 2023 (ISIN: XS2417707374; Common Code: 241770737) (the “**Consent Notes**”) upon the terms and subject to the conditions set forth in the consent solicitation statement dated July 8, 2022 (the “**Consent Solicitation Statement**”).

The Exchange Offer and the Consent Solicitation are inter-conditional.

Unless otherwise defined, capitalized terms in this announcement will have the same meaning as those defined in the Exchange Offer Memorandum and the Consent Solicitation Statement.

## **BACKGROUND AND PURPOSE**

During the second half of 2021, Chinese property developers and the capital markets that have funded growth and development of the sector have experienced an inflection point. Reduced bank lending for real estate development has adversely affected access by property developers to onshore capital. Buyers' concerns about the ability of property developers to deliver projects has adversely affected property sales. In addition, use of pre-sale proceeds becomes subject to more stringent restrictions under applicable PRC rules and regulations. Negative offshore capital markets reactions to all these negative onshore events and austerity measures limited our funding sources to address upcoming maturities.

The property sector in China has continued to experience volatility in 2022. Further tightened bank lending, coupled with various negative credit events, has intensified market concerns over the operations of Chinese property developers. As a result, pre-sale of Chinese property developers has generally decreased.

In addition, during the first half of 2022, there was an upsurge of COVID-19 cases in China, especially in Shanghai. As of December 31, 2021, approximately 59.2% of the Company's land bank was located in the Yangtze River Delta region. As such, the Company's operational and financial performance has been adversely affected by the recent COVID-19 outbreak in Shanghai, and the Company experienced a noticeable decline in our aggregate contracted sales in recent months.

Against the backdrop of the adverse market conditions and the COVID-19 outbreaks, the Company anticipates that the market condition in the real estate sector will remain under pressure in 2022. The Company's management has demonstrated its resolution and commitment to mitigate the effects of the recent adverse market conditions. In January 2022, the Company completed an exchange offer in respect of our 12.75% Senior Notes due January 2022, thereby extending its maturity date to January 2023.

The Company strives to meet its financial commitments through, among others, extension or refinancing of its existing debt, opportunistic financing and expenditure conservation. As part of these efforts, the Company is now conducting the Exchange Offer and the Consent Solicitation.

If neither the Exchange Offer nor the Consent Solicitation is successfully consummated, the Company may not be able to fully repay the Exchange Notes, and the Company's other efforts to meet its financial commitments may not achieve the desired effect. As such, the Company may have to consider alternative debt restructuring exercise.

## **EXCHANGE OFFER**

The Exchange Offer for the Exchange Notes commenced on July 8, 2022 and will expire at 4:00 p.m., London time, on July 14, 2022 (the “**Expiration Deadline**”), unless otherwise extended or earlier terminated by the Company. An appropriate announcement will be made if and when the applicable Expiration Deadline is extended or earlier terminated.

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 Company’s outstanding Exchange Notes held by Eligible Holders. As of the date of the Exchange Offer Memorandum, US\$210,000,000 in aggregate principal amount of the Exchange Notes are outstanding.

Eligible Holders of the Exchange 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 Exchange Notes (other than the right to receive the Exchange Consideration) and will release and discharge the Company from any and all claims such holders may have, now or in the future, arising out of or related to such Exchange Notes, including any and all accrued and unpaid interest thereon.

A separate instruction needs to be submitted per each beneficial owner of the Exchange Notes held through Euroclear and Clearstream. Instructions in connection with the Exchange Offer are irrevocable.

### **Exchange Consideration**

The total exchange consideration for the Exchange Notes validly tendered prior to the Expiration Deadline and accepted for exchange (the “**Exchange Consideration**”) shall be a purchase price equal to:

for each US\$1,000 principal amount of the outstanding Exchange Notes that is validly tendered prior to the Expiration Deadline and accepted for exchange consisting of the following:

- a. US\$1,000 in aggregate principal amount of the US\$ denominated senior notes to be newly issued (the “**New Notes**”); and
- b. Capitalized Interest.

The New Notes will have a tenor of 364 days and will bear interest at 12.25% per annum, payable semi-annually in arrears.

### **Mandatory Redemption**

On the date of Mandatory Redemption to be set forth in the indenture governing the New Notes, the Company shall redeem the New Notes in the principal amount equal to the amount of the accrued and unpaid interest, from (and including) January 22, 2022 to (but excluding) the Original Issue Date, on the aggregate principal amount of the Existing Notes validly tendered and accepted for exchange pursuant to the Exchange Offer set forth in the Exchange Offer Memorandum (as amended, supplemented or modified as of the Original Issue Date), and the accrued and unpaid interest on such New Notes as set forth under the indenture governing the New Notes.

*Application has been or will be made to the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing and quotation of the New Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle for the listing and quotation of the New Notes on the SGX-ST is not to be taken as an indication of the merits of the Exchange Offer, the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any of their respective subsidiaries or associated companies (if any), the New Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees (if any). For so long as the New Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the New Notes, if traded on the SGX-ST, will be traded in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). Accordingly, the New Notes, if traded on the SGX-ST, will be traded in a minimum board lot size of US\$150,000.*

## **Minimum Acceptance Amount**

The minimum aggregate principal amount of the Exchange Notes, being US\$189,000,000, or 90%, of the outstanding principal amount of the Exchange Notes (the “**Minimum Acceptance Amount**”), 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. The Company reserves the right, in its sole discretion, to accept less than the Minimum Acceptance Amount of the Exchange Notes, or to accept none of such Exchange Notes, for exchange pursuant to the Exchange Offer.

## **Summary Timetable**

The following summarizes the anticipated timetable for the Exchange Offer.

<b>Date</b>	<b>Event</b>
July 8, 2022	Commencement of the Exchange Offer and announcement via the websites of the Stock Exchange, and through Euroclear or Clearstream, as applicable.
	Exchange Offer Memorandum delivered to Eligible Holders of the Exchange Notes who are non-U.S. persons outside the United States.
July 14, 2022 (4:00 p.m., London time)	Expiration Deadline. This being the last date and time on which Eligible Holders of the Exchange Notes who validly tender Exchange Notes are eligible to receive the relevant Exchange Consideration, as this is the last date and time for Eligible Holders of the Exchange Notes to participate in the Exchange Offer.
As soon as practicable after the Expiration Deadline	Announcement of the amount of tenders for exchange received prior to the Expiration Deadline and the final total aggregate principal amount of the New Notes to be issued to Eligible Holders in exchange for the Exchange Notes validly tendered, accepted and exchanged.

<b>Date</b>	<b>Event</b>
On or about July 18, 2022	Subject to satisfaction of the conditions as set forth under “Conditions to the Exchange Offer” in the Exchange Offer Memorandum, settlement of the New Notes, delivery of the Exchange Consideration to Eligible Holders whose Exchange Notes have been validly tendered and accepted for exchange.
On or about July 19, 2022	Listing of the New Notes on the SGX-ST.

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

The acceptance for exchange and the Company’s obligation to consummate the Exchange Offer, are conditional upon, among other things:

- not less than the Minimum Acceptance Amount of the Exchange Notes shall have been validly tendered prior to the Expiration Deadline;
- consummation of the concurrent Consent Solicitation;
- there being no material adverse change in the market from the date of the Exchange Offer Memorandum to the Settlement Date;
- an affirmative determination by the Company that accepting the exchanges, paying the Exchange Consideration and effecting the transactions contemplated hereby are in the Company’s best interests; and
- the satisfaction of certain other conditions as set forth in the Exchange Offer Memorandum.

Subject to applicable law, the Company may terminate or withdraw the Exchange Offer if any of the conditions are not satisfied or waived by the Company by the Settlement Date. The Company may also extend the Exchange Offer from time to time until the conditions are satisfied or waived. Although the Company have no present plans or arrangements to do so, the Company reserves the right to amend, modify or waive, at any time, the terms and conditions of the Exchange Offer, subject to applicable law. The Company will give you notice of any amendments, modifications or waivers as and if required by applicable law.

The Exchange Offer and the Consent Solicitation are inter-conditional and consummation of the Consent Solicitation (in whole or in part) is a condition to the consummation of the Exchange Offer.

## **CONSENT SOLICITATION**

### **Summary of the Terms of the Consent Solicitation**

The Consent Solicitation for the Consent Notes commenced on July 8, 2022 and will expire at 4:00 p.m., London time, on July 14, 2022 (the “**Consent Expiration Deadline**”), unless otherwise extended or earlier terminated by the Company. An appropriate announcement will be made if and when the applicable Consent Expiration Deadline is extended or earlier terminated.



The Company is soliciting consents from the Holders of the Consent Notes to Proposed Amendment to the Consent Notes Indenture, and to be entered into by and among the Company, the Subsidiary Guarantors and the Trustee of a supplemental indenture in relation to the Consent Notes giving effect to the Proposed Amendment (the “**Consent Supplemental Indenture**”). As of the date of the Consent Solicitation Statement, US\$160,200,000 in aggregate principal amount of the Consent Notes are outstanding.

By validly delivering consents pursuant to the instructions set out in the Consent Solicitation Statement, the Holders will be deemed to have given Consent in the Consent Solicitation. A consenting Notes Holder must consent to the Proposed Amendment as an entirety and may not consent selectively with respect to certain aspect of the Proposed Amendment. All Consents delivered and accepted will be deemed to be Consents to the Proposed Amendment as a whole. The Consents may not be revoked once submitted.

The Proposed Amendment will become effective upon execution of and delivery to the Trustee the Consent Supplemental Indenture to the Consent Notes Indenture. If Requisite Consents (as defined below) are received with respect to the Consent Notes and the Proposed Amendment becomes effective for the Consent Notes, the Proposed Amendment will be binding on all Holders of the Consent Notes, including non-consenting Holders.

### **Summary Timetable of the Consent Solicitation**

The following summarizes the anticipated timetable for the Consent Solicitation.

<b>Event</b>	<b>Time and Date</b>	<b>Description</b>
Record Date	July 7, 2022.	Only the Holders of record as of the Record Date are eligible to consent to the Proposed Amendment. See “Important Information” in the Consent Solicitation Statement.
Launch Date	July 8, 2022.	The Consent Solicitation is announced. The Consent Solicitation Statement is delivered to the Clearing Systems for communication to direct participants and published on the Consent Website.

<b>Event</b>	<b>Time and Date</b>	<b>Description</b>
Consent Expiration Deadline	4:00 p.m., London Time, July 14, 2022, unless extended by the Company or terminated.	Consents must be validly delivered prior to the Consent Expiration Deadline.
Announcement of Results	As soon as reasonably practicable after the Expiration Deadline.	Announcement of whether the Company has received the Requisite Consents necessary for the Proposed Amendment to the Consent Notes Indenture.

### **Conditions to the Consent Solicitation**

The Company's obligation to accept the Consent Solicitation is conditional upon, among other things:

- (a) receipt of the Requisite Consents in respect of the Consent Notes being validly delivered pursuant to the terms of this Consent Solicitation on or prior to the Consent Expiration Deadline;
- (b) execution of the Consent Supplemental Indenture by each of the parties contemplated therein;
- (c) the absence of any law or regulation which would, and the absence of any pending or threatened injunction or other proceeding which (if adversely determined) would, make unlawful or invalid or enjoin the implementation of the Proposed Amendment, or that would question the legality or validity thereof;
- (d) (A) no change (or development involving a prospective change) shall have occurred or shall be threatened in the Group's business, properties, assets, liabilities, financial condition, operations, or results of operations, and (B) no change (or development involving a prospective change) shall have occurred in financial markets generally or affecting the Company's equity, or the Consent Notes, or the Company's other indebtedness, that, in the Company's reasonable judgment in the case of either (A) or (B) above, is or may be adverse to the Company or has or may have a material adverse effect upon the contemplated benefits to the Company and/or any of the Company's affiliates of this Consent Solicitation; and
- (e) consummation of the Exchange Offer.



The foregoing conditions are for the Company's sole benefit and the Company may, in its sole discretion, waive any of the Conditions with respect to the Consent Notes, in whole or in part, at any time and from time to time or otherwise amend this Consent Solicitation at any time prior to the acceptance of Consents with respect to the Consent Notes.

The Exchange Offer and the Consent Solicitation are not inter-conditional and consummation of the Consent Solicitation in respect of the Consent Notes is not conditional upon the consummation of the Exchange Offer.

## **FURTHER DETAILS**

The Company has appointed Haitong International Securities Company Limited as the solicitation agent with respect to this Consent Solicitation and as dealer manager with respect to this Exchange Offer, and D.F. King Ltd as Information and Tabulation Agent with respect to the Exchange Offer and the Consent Solicitation. The Consent Solicitation Statement, this announcement and all documents related to the Consent Solicitation can be found on the Consent Website: <https://sites.dfkingltd.com/sunkwanconsent>. The Exchange Offer Memorandum, this announcement and all documents related to the Exchange Offer can be found on the Exchange Website: <https://sites.dfkingltd.com/sunkwan>. Requests for copies of the Consent Solicitation Statement, the Exchange Offer Memorandum and their related documents may also be directed to the Information and Tabulation Agent at the address and telephone number as set forth below. The contact information of Haitong International Securities Company Limited and D.F. King Ltd is set out as follows:

### **Haitong International Securities Company Limited**

28/F One International Finance Centre  
No. 1 Harbour View Street  
Central, Hong Kong Fax: (852) 2840 1680  
Attention: Debt Capital Markets

### **D.F. King Ltd**

#### *In London:*

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Tel: +44 20 7920 9700

#### *In Hong Kong:*

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Tel: +852 3953 7231

Email: [sunkwan@dfkingltd.com](mailto:sunkwan@dfkingltd.com)  
Consent Website: <https://sites.dfkingltd.com/sunkwanconsent>  
Exchange Website: <https://sites.dfkingltd.com/sunkwan>

**THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL THE CONSENT NOTES, THE EXCHANGE NOTES OR THE NEW NOTES.**

**SHAREHOLDERS, NOTES HOLDERS, ELIGIBLE HOLDERS OF THE EXCHANGE NOTES AND POTENTIAL INVESTORS SHOULD NOTE THAT COMPLETION OF THE CONSENT SOLICITATION AND THE EXCHANGE OFFER IS SUBJECT TO THE FULFILLMENT OR WAIVER OF THE CONDITIONS PRECEDENT TO THE CONSENT SOLICITATION AS SET FORTH IN THE CONSENT SOLICITATION STATEMENT AND THE EXCHANGE OFFER AS SET FORTH IN THE EXCHANGE OFFER MEMORANDUM, AND SUMMARIZED IN THE ANNOUNCEMENT. NO ASSURANCE CAN BE GIVEN THAT THE CONSENT SOLICITATION OR THE EXCHANGE OFFER WILL BE COMPLETED AND THE COMPANY RESERVES THE RIGHT TO AMEND, WITHDRAW OR TERMINATE THE CONSENT SOLICITATION OR THE EXCHANGE OFFER WITH OR WITHOUT CONDITIONS.**

**THE COMPANY MAY, IN ITS SOLE DISCRETION, AMEND OR WAIVE CERTAIN OF THE CONDITIONS PRECEDENT TO THE CONSENT SOLICITATION AND THE EXCHANGE OFFER. AS THE CONSENT SOLICITATION AND THE EXCHANGE OFFER MAY OR MAY NOT PROCEED, SHAREHOLDERS, NOTES HOLDERS, ELIGIBLE HOLDERS OF THE EXCHANGE NOTES AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY OR THE CONSENT NOTES.**

The Consent Solicitation and the Exchange Offer are not being made to (nor will the tender of the Exchange Notes and the delivery of Consents be accepted from or on behalf of) the Holders or Eligible Holders of Exchange Notes in any jurisdiction where the making or acceptance of the Consent Solicitation or 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 Consent Solicitation or the Exchange Offer or the delivery of Consents 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 Consent Solicitation and the Exchange Offer will not be made to (nor will tenders or Consents be accepted from or on behalf of) any Holders or Eligible Holders of Exchange Notes residing in such jurisdiction.

## **FORWARD-LOOKING STATEMENTS**

Forward-looking statements in this announcement are based on current expectations, assumptions, estimates and projections about the Company and its industry. These statements are not guarantees of future performance and that the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates 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 the business of the Company, changes in the business and financial condition of the Company and its subsidiaries and changes in the general economic trend in the PRC.

## DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following respective meanings:

“Board”	the board of Directors of the Company;
“Capitalized Interest”	accrued and unpaid interest on any Exchange Notes validly tendered by Eligible Holders and accepted for exchange, up to but not including the Settlement Date, to be payable in the form of New Notes rather than cash;
“Clearstream”	Clearstream Banking S.A.;
“Company”	Sunkwan Properties Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Hong Kong Stock Exchange;
“Consents”	the consent of a Holder of the Consent Notes to the applicable Proposed Amendment;
“Consent Notes”	13.5% senior notes due 2023;
“Consent Notes Indenture”	the indenture dated as of January 3, 2022 in relation to the Consent Notes, as supplemented or amended to the date hereof;
“Consent Solicitation”	solicitation from the Company seeking Consents to the Proposed Amendment to the Consent Notes Indenture as a single proposal;
“Consent Solicitation Statement”	the consent solicitation statement dated July 8, 2022 in relation to the Consent Solicitation;
“Consent Supplemental Indenture”	the supplemental indenture to be entered into by and among the Company, the Subsidiary Guarantors and the Trustee in relation to the Consent Notes giving effect to the Proposed Amendment;
“Director(s)”	the director(s) of the Company;

“Eligible Holders”	holders who are non-U.S. persons (as those terms are defined under Regulation S) located outside the United States and hold the Exchange Notes through Euroclear or Clearstream, or certain fiduciaries holding accounts for the benefit of non-U.S. persons (as those terms are defined under Regulation S) outside the United States and holding the Exchange Notes through Euroclear or Clearstream;
“Euroclear”	Euroclear Bank SA/NV;
“Exchange Offer”	the exchange offer made by the Company upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum;
“Exchange Offer Memorandum”	the exchange offer memorandum dated July 8, 2022 in relation to the Exchange Offer;
“Exchange Notes”	12.25% senior notes due 2022;
“Exchange Notes Indenture”	the indenture governing the Exchange Notes;
“Exchange Notes Trustee”	Citicorp International Limited, as trustee to the Exchange Notes;
“Group”	the Company and its subsidiaries;
“Holder”	the registered holder of the Consent Notes, as the case may be and, all Holders collectively, “Holders”;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“JV Subsidiary Guarantees”	certain of the Company’s offshore subsidiaries that provide limited recourse guarantees to the Consent Notes and the Exchange Notes, if applicable;
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Proposed Amendment”	the proposed amendments as mentioned and defined in the Consent Solicitation Statement;
“Regulation S”	Regulation S under the U.S. Securities Act;
“Requisite Consents”	the consents being validly delivered from the Holders of not less than a majority in aggregate principal amount of the outstanding Consent Notes;

“Settlement Date”	on or about July 18, 2022, unless the Exchange Offer is extended or earlier terminated;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary Guarantors”	certain of the Company’s offshore subsidiaries that provide guarantees to the Consent Notes and the Exchange Notes;
“Trustee”	China Corporation Bank (Asia) Corporation Limited;
“U.S.” or “United States”	The United States of America;
“U.S. Securities Act”	the United States Securities Act of 1933, as amended;
“US\$”	United States dollars, the lawful currency of the United States;
“%”	per cent.

By order of the Board  
**Sunkwan Properties Group Limited**  
**Zhu Jing**  
*Chairwoman*

Hong Kong, July 8, 2022

*As of the date of this announcement, the Board comprises Ms. Zhu Jing, Ms. Sheng Jianjing and Mr. Yang Zhandong as executive directors, Mr. Lin Jinfeng and Ms. Lin Zhaohong as non-executive directors and Mr. Guo Shaomu, Mr. Au Yeung Po Fung and Mr. Zhou Zheren as independent non-executive directors.*