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海伦堡
HELENBERGH

Helenbergh China Holdings Limited

海倫堡中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

CONSENT SOLICITATION IN RELATION TO THE FOLLOWING SECURITIES

Description of Debt Securities	ISIN	Common Code	Stock code	Outstanding Principal Amount
11.0% Senior Notes due October 8, 2023	XS2376908344	237690834	40877	US\$270,000,000

INTRODUCTION

On the date of this announcement, Helenbergh China Holdings Limited, a company incorporated in the Cayman Islands with limited liability (the “**Company**” and together with its subsidiaries, the “**Group**”) is soliciting consents from the Holders of the Notes to certain proposed waiver (the “**Proposed Waiver**”) and proposed amendment (the “**Proposed Amendment**” and together with the Proposed Waiver, the “**Proposed Waiver and Amendment**”) to the Indenture, upon the terms and subject to the conditions set forth in the consent solicitation statement dated October 19, 2022 (the “**Consent Solicitation Statement**”).

Unless otherwise defined, capitalized terms in this announcement will have the same meaning as those defined in the Consent Solicitation Statement, which is available on the Consent Website: <https://projects.morrowsodali.com/helenberghconsent>.

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, the use of pre-sale proceeds is also restricted under the applicable PRC policies. Driven by these negative onshore events and austerity policies, offshore capital markets have reacted negatively, which limited funding sources of the Group in servicing its debts.

The property sector in China has continued to experience volatility in 2022. Further tightened bank lending, coupled with certain 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.

Against the backdrop of the adverse market conditions and recurrences of the COVID-19 outbreaks, the Company anticipates that the market condition in the real estate sector will remain under pressure in 2022. The Company is committed to mitigating the effects of the recent adverse market conditions and striving to meet its financial commitments by prudently utilizing its existing financial resources. Despite its efforts, the Company has not paid the interest due on September 24, 2022 under the 11.0% senior notes due March 24, 2023 (the "**March 2023 Notes**") (the "**March 2023 Notes Non-payment Event**") and the interest due on October 8, 2022 under the Notes (the "**Notes Non-payment Event**").

The principal purpose of the Consent Solicitation and the Proposed Waiver and Amendment is to seek a waiver under the Indenture for the unconditional and irrevocable waiver and forgiveness of any and all claims (howsoever described) arising from or in connection with any Default and Event of Default under the Notes arising as a result of the March 2023 Notes Non-payment Event, and to amend the events of default provision in the Indenture to carve out any default or event of default in respect of the Notes as a result of (i) a default or event of default occurring under the March 2023 Notes, or any default of the Group's other indebtedness resulting therefrom and (ii) any final judgement or order for the payment of money rendered against the Group in relation to the March 2023 Notes (or other indebtedness the default or event of default of which was caused by a default or event of default in relation to the March 2023 Notes), (iii) involuntary insolvency proceedings commenced against the Group with respect to or based on the March 2023 Notes, or (iv) any voluntary insolvency proceedings commenced, order sought or application or appointment made to defend against, postpone or adjourn any remedy exercised under the March 2023 Notes.

In light of the March 2023 Notes Non-payment Event and the Notes Non-payment Event, the Company is considering various liability management options, including conducting an exchange offer and consent solicitation with respect to the March 2023 Notes and/or further consent solicitations with respect to the Notes. In the meantime, if this Consent Solicitation is not successfully consummated, any event of default under the March 2023 Notes, including the March 2023 Notes Non-payment Event (which will in turn result in an Event of Default under the March 2023 Notes after the grace period ends on October 24, 2022), could trigger an Event of Default under the Notes. As a result, the Company may have to consider alternative debt restructuring exercises.

THE CONSENT SOLICITATION

The Consent Solicitation for the Notes commenced on October 19, 2022 and will expire at 5:00 p.m., Hong Kong time, on October 26, 2022 (the “**Expiration Deadline**”), unless otherwise extended or earlier terminated by the Company. An appropriate announcement will be made if and when the Expiration Deadline is extended or earlier terminated.

Subject to the terms and conditions set forth in the Consent Solicitation Statement, the Company is soliciting consents from Holders of the Notes to the Proposed Waiver and Amendment to the Indenture, and to the execution by the Company, the Subsidiary Guarantors and the Trustee of an amendment to the Indenture (the “**Supplemental Indenture**”), giving effect to the Proposed Waiver and Amendment. As of the date of this announcement, US\$270,000,000 in aggregate principal amount of the Notes is outstanding.

Any Holder wishing to participate in the Consent Solicitation must submit, or arrange to have submitted on its behalf, prior to the Expiration Deadline and before the deadlines set by Euroclear and Clearstream (unless the Consent Solicitation is terminated earlier), a valid electronic consent instruction to Euroclear or Clearstream, as the case may be (an “**Electronic Consent Instruction**”). Only direct participants in Euroclear or Clearstream may submit Electronic Consent Instructions through Euroclear and Clearstream. If you are not a direct participant in Euroclear or Clearstream, you must arrange for the direct participant through which you hold the Notes to submit an Electronic Consent Instruction on your behalf to the relevant clearing system prior to the deadline specified by the relevant clearing system. Participants in Euroclear or Clearstream must consent with respect to the Notes in the minimum principal amount of US\$200,000 or any multiple of US\$1,000 in excess thereof.

A Holder may not revoke the Consents once delivered. With respect to the Notes, upon the Company’s receipt of validly delivered Consents of not less than a majority in the aggregate outstanding principal amount of such Notes (the “**Requisite Consents**”), subject to the satisfaction or waiver of the conditions to the Consent Solicitation, all Holders will be bound by the Proposed Waiver, and the terms of the Indenture, as amended by the Supplemental Indenture giving effect to the Proposed Amendment, whether or not such holder delivered a Consent.

The Proposed Waiver and Amendment is, in accordance with the terms and subject to the conditions set forth the Consent Solicitation Statement, to seek a waiver under the Indenture for the unconditional and irrevocable waiver and forgiveness of any and all claims (howsoever described) arising from or in connection with any Default and Event of Default under the Notes arising as a result of the March 2023 Notes Non-payment Event, and to amend the events of default provision in the Indenture to carve out any default or event of default in respect of the Notes as a result of (i) a default or event of default occurring under the March 2023 Notes, or any default of the Group’s other indebtedness resulting therefrom and (ii) any final judgement or order for the payment of money rendered against the Group in relation to the March 2023 Notes (or other indebtedness the default or event of default of which was caused by a default or event of default in relation to the March 2023 Notes), (iii) involuntary insolvency proceedings commenced against the Group with respect to or based on the March 2023 Notes, or (iv) any voluntary insolvency proceedings commenced, order sought or application or appointment made to defend against, postpone or adjourn any remedy exercised under the March 2023 Notes.

The Proposed Amendment with respect to the Notes will become effective only upon (i) receipt by the Information and Tabulation Agent on or prior to the earlier of the Effective Time and the Consent Expiration Deadline of valid consents from Holders representing not less than a majority in the aggregate principal amount of the outstanding Notes on the Record Date; and (ii) execution of the Supplemental Indenture by the Company, the Subsidiary Guarantors and the Trustee in accordance with the requirements of the Indenture. The Proposed Waiver will become effective upon receipt of the Requisite Consents.

As soon as practicable following the receipt of the Requisite Consents pursuant to the Consent Solicitation, the Information and Tabulation Agent will certify to the Trustee, the Company and the Subsidiary Guarantors that the Requisite Consents have been received as of the Consent Date, and in compliance with the conditions contained in the Indenture, the Company, the Subsidiary Guarantors and the Trustee will execute the Supplemental Indenture.

If the Supplemental Indenture becomes effective, it will be binding on all Holders, and any future transferees, whether or not such Holders have consented to the Proposed Waiver and Amendment.

Conditions to the Consent Solicitation

The Company's obligation to accept Consents is conditioned on:

- (i) receipt of the Requisite Consents in respect of the Notes being validly delivered pursuant to the terms of this Consent Solicitation on or prior to the Expiration Deadline;
- (ii) execution of the Supplemental Indenture by the parties contemplated therein;
- (iii) 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; and
- (iv) no change (or development involving a prospective change) shall have occurred or shall be threatened in the Company'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 its equity, or any of the Notes, or its other indebtedness, that, in its reasonable judgment in the case of either (A) or (B) above, is or may be adverse to us or has or may have a material adverse effect upon the contemplated benefits to the Company and/or any of its affiliates of the Consent Solicitation.

Unless all other conditions have been satisfied (or waived by us), receipt of the Requisite Consents by the Information and Tabulation Agent will not obligate us to accept the Consents, or obligate the Company, the Subsidiary Guarantors or the Trustee to execute the Supplemental Indenture.

If any of the conditions are not satisfied (or not waived by the Company) on or prior to the Expiration Deadline, the Company may, in its sole discretion and without giving any notice, allow the Consent Solicitation to lapse or extend the solicitation period and continue soliciting Consents pursuant to the Consent Solicitation. Subject to applicable law, the Consent Solicitation may be abandoned or terminated at any time prior to the valid delivery of Consents, for any reason, in which case any Consents received will be voided.

SUMMARY TIMETABLE

The following summarizes the anticipated timetable for the Consent Solicitation.

Event	Time and Date	Description
Record Date	October 18, 2022	Only the Holders of record as of the Record Date are eligible to consent to the Proposed Waiver and Amendment. See “Important Information” in the Consent Solicitation Statement.
Consent Date	Upon receipt of the Requisite Consents by the Information and Tabulation Agent who will then certify to the Trustee and the Company that the Requisite Consents have been received at 4:00 p.m., London Time, on such date.	Immediately after the Consent Date, the Company may proceed to execute and deliver to the Trustee the Supplemental Indenture with respect to the Notes giving effect to the Proposed Amendment. The Proposed Waiver will become effective upon receipt of the Requisite Consents.
Expiration Deadline	5:00 p.m., Hong Kong Time, October 26, 2022, unless extended or terminated by the Company.	Consents must be validly delivered on or prior to the Expiration Deadline. The Consents may not be revoked once delivered.
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 Waiver and Amendment to the Indenture.
Effective Time	The time that the Company, the Subsidiary Guarantors and the Trustee execute the Supplemental Indenture with respect to the Proposed Amendment, which is after the Consent Date but may be prior to, concurrent with or after the Expiration Deadline.	Once the Supplemental Indenture has been duly executed, the Proposed Amendment will be effective and binding on all Holders of the Notes, including non-consenting Holders.

FURTHER DETAILS

The Company has appointed Haitong International Securities Company Limited as the Solicitation Agent, and Morrow Sodali Limited as the Information and Tabulation Agent with respect to 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://projects.morrowsodali.com/helenberghconsent>.

Requests for copies of the Consent Solicitation Statement and their related documents may be directed to Morrow Sodali Limited at the address and telephone number as set forth below. The contact information of Haitong International Securities Company Limited and Morrow Sodali Limited is set out as follows:

Haitong International Securities Company Limited

28/F, One IFC
1 Harbour View Street
Central, Hong Kong
Fax no: +852 2973 6741
Attention: Debt Capital Markets

Morrow Sodali Limited

In London:
103 Wigmore Street
W1U 1QS
United Kingdom
Telephone: + 44 20 4513 6933

In Hong Kong:
The Hive
33-35 Hillier Street, Sheung Wan
Hong Kong
Telephone: +852 2319 4130

Email: helenbergh@investor.morrowsodali.com
Consent Website: <https://projects.morrowsodali.com/helenberghconsent>

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

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

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

The Consent Solicitation is not being made to (nor will the Delivery of Consents be accepted from or on behalf of) Holders in any jurisdiction where the making or acceptance of the Consent Solicitation 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 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 will not be made to (nor will tenders or Consents 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 Consent Solicitation, 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;
“Clearstream”	Clearstream Banking S.A.;
“Company”	Helenbergh China Holdings Limited, an exempted company incorporated with limited liability in the Cayman Islands;
“Consents”	the consent of a Holder of the Notes to the Proposed Waiver and Amendment;
“Consent Solicitation”	solicitation from the Company seeking Consents to the Proposed Waiver and Amendment to the Indenture as a single proposal;
“Consent Solicitation Statement”	the consent solicitation statement dated October 19, 2022 in relation to the Consent Solicitation;
“Director(s)”	the director(s) of the Company;
“Euroclear”	Euroclear Bank SA/NV;
“Group”	the Company and its subsidiaries;

“Holder”	the registered holder of the Notes, as the case may be and, all registered holders of the Notes collectively, “Holders”;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Indenture”	the indenture dated as of October 8, 2021 in relation to the Notes, as supplemented or amended to the date hereof;
“Notes”	11.0% senior notes due October 8, 2023;
“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 amendment as mentioned and defined in the Consent Solicitation Statement;
“Proposed Waiver”	the proposed waiver as mentioned and defined in the Consent Solicitation Statement;
“Requisite Consents”	the consents being validly delivered from the Holders of not less than a majority in aggregate principal amount of the outstanding Notes;
“Subsidiary Guarantors”	certain of the Company’s offshore subsidiaries that provide guarantees to the Notes;
“Supplemental Indenture”	the supplemental indenture to be entered into by and among the Company, the Subsidiary Guarantors and the Trustee in relation to the Notes giving effect to the Proposed Amendment;
“Trustee”	China Corporation Bank (Asia) Corporation Limited;
“U.S.” or “United States”	The United States of America;
“US\$”	United States dollars, the lawful currency of the United States;
“%”	per cent.

By Order of the Board
Helenbergh China Holdings Limited
HUANG Chiheng
Executive Director

October 19, 2022

As of the date of this announcement, the executive Directors are Mr. HUANG Chiheng, Mr. WANG Meng and Mr. YE Jun and the non-executive Directors are Ms. YANG Luning and Mr. SHEK Lai Him Abraham.