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景業名邦
JY GRANDMARK

JY GRANDMARK HOLDINGS LIMITED

景業名邦集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2231)

(Debt stock code: 4300)

INSIDE INFORMATION

UPDATE ON LISTED DEBT SECURITIES

This announcement is made by JY Grandmark Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2), 37.47B and 37.47E(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Since the second half of 2021, China’s real estate sector has faced unprecedented challenges. Affected by the deteriorating business environment and financing difficulties, many private real estate enterprises have faced tight liquidity conditions. The Group has implemented various measures to alleviate the liquidity pressure, including accelerating property sales, extending debt maturity and securing new sources of financing, pushing forward asset disposal and controlling expenses. Entering the second quarter of 2023, the Group’s sales declined continuously, and its liquidity position became increasingly tight and the pressure to pay off its borrowings continued to increase. At the same time, the Group has been endeavouring to improve its debt structure. In January 2024, the Group successfully exchanged its senior notes with an aggregate principal amount of US\$152 million due 2024 with newly issued senior notes amounting to US\$159 million due 2025 (the “**2025 Notes**”).

As disclosed in the announcement (the “**Results Announcement**”) of the Company dated 27 March 2024 in relation to the consolidated annual results of the Group for the year ended 31 December 2023, as at 31 December 2023, the Group did not make payment on certain borrowings of an aggregate principal amount of approximately RMB108 million (the “**Initial Defaulted Borrowings**”). Subsequent to 31 December 2023 and up to the date of the Results Announcement, the Group also did not settle certain borrowings with an aggregate principal amount of approximately RMB78 million (the “**Subsequent Defaulted Borrowings**”). As a result of the non-payment of the Initial Defaulted Borrowings and the Subsequent Defaulted Borrowings, certain borrowings of an aggregate principal amount of approximately RMB2,275 million, including the 2025 Notes, were considered to be in default under the cross-default provisions of the relevant borrowings as at the date of the Results Announcement.

The Board is pleased to announce that, after the date of the Results Announcement, the Group repaid certain Subsequent Defaulted Borrowings of a principal amount of RMB75 million and successfully sought agreement from the remaining creditors of the Initial Defaulted Borrowings and Subsequent Defaulted Borrowings for the extension of the repayment date of the principal and interest of the same and also from the creditor(s) of other borrowing(s) for the extension of the repayment date of interest of the same. As such, the Group no longer has any amount that is immediately due and payable as at the date of this announcement. Further, as at the date of this announcement, the Group has obtained consents from noteholders of the 2025 Notes to waive any event of default under the 2025 Notes that has arisen or may arise from other indebtedness of the Group.

In order to meet its current and future repayment obligations under its borrowings, the Group will continue to implement plans and measures to accelerate the pre-sales and sales of its properties under development and completed properties held for sale, and to speed up the collection of outstanding sales proceeds. The Group will closely monitor the process of construction of its property development projects to endeavour to ensure that construction and related payments are fulfilled, the relevant properties sold under pre-sale arrangement are completed and delivered to the customers on schedule as planned, so that the Group is able to release restricted cash to meet its other financial obligations. The Group will also continue to seek other alternative financing and borrowings to finance the settlement of its existing financial obligations and future operating expenditure.

If there is any material development in connection with the above, the Company will make further announcement(s) as and when appropriate in accordance with the requirements of the Listing Rules, the SFO and/or other applicable laws and regulations.

Shareholders of the Company and investors are advised to exercise caution when dealing in the securities of the Company. If in doubt, shareholders and investors should seek professional advice from a professional or financial adviser.

By Order of the Board
JY Grandmark Holdings Limited
Chan Sze Ming Michael
Chairman

Hong Kong, 5 April 2024

As at the date of this announcement, the Board comprises Mr. Chan Sze Ming Michael, Mr. Liu Huaxi, Ms. Zheng Catherine Wei Hong, Mr. Wu Xinping and Ms. Wei Miao Chang as executive Directors, Mr. Ma Ching Nam, BBS, CStJ, J.P., Mr. Leong Chong and Mr. Wu William Wai Leung as independent non-executive Directors.