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LANDSEA 朗诗

LANDSEA GREEN PROPERTIES CO., LTD.

朗詩綠色地產有限公司

(Formerly as “Landsea Green Group Co., Ltd. 朗詩綠色集團有限公司”)

(Incorporated in Bermuda with limited liability)

(Stock Code: 106)

ISSUANCE OF US\$200 MILLION 10.75% GREEN SENIOR NOTES DUE 2022

Reference is made to the announcement of the Company dated 15 January 2020 in respect of the proposed Notes Issue.

On 15 January 2020, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with Guotai Junan International, Haitong International, BofA Securities and Admiralty Harbour in connection with the Notes Issue.

The Company intends to use the net proceeds of the Notes Issue for refinancing the Company's existing medium to long-term offshore indebtedness which will become due within one year and in accordance with the Company's green bond framework.

Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

Reference is made to the announcement of the Company dated 15 January 2020 in respect of the proposed Notes Issue. The Board is pleased to announce that on 15 January 2020, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with Guotai Junan International, Haitong International, BofA Securities and Admiralty Harbour in connection with the Notes Issue.

THE PURCHASE AGREEMENT

Date: 15 January 2020

Parties to the Purchase Agreement

- (a) the Company;
- (b) the Subsidiary Guarantors;
- (c) Guotai Junan International;
- (d) Haitong International;
- (e) BofA Securities; and
- (f) Admiralty Harbour.

Guotai Junan International and Haitong International are the joint global coordinators, and Guotai Junan International, Haitong International, BofA Securities and Admiralty Harbour are joint bookrunners and joint lead managers in respect of the offer and sale of the Notes. They are also the initial purchasers of the Notes. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Guotai Junan International, Haitong International, BofA Securities and Admiralty Harbour is an independent third party and not a Connected Person of the Company and its Connected Persons. The Notes and the Subsidiary Guarantees have not been, and will not be, registered under the Securities Act. The Notes and the Subsidiary Guarantees are being offered outside the United States in offshore transactions in accordance with Regulation S under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. None of the Notes will be offered to the public in Hong Kong.

Principal terms of the Notes

The following is a summary of certain provisions of the Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Notes, the guarantees provided by the Subsidiary Guarantors, and the JV Subsidiary Guarantors, if any.

Notes Offered

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate principal amount of US\$200 million. The Notes will mature on 21 October 2022, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Notes will be 97.284% of the principal amount of the Notes.

Interest

The Notes bear interest from and including 21 January 2020 at the rate of 10.75% per annum, payable semi-annually in arrears, except that the last payment of interest, to be made on 21 October 2022, will be in respect of the period from and including 21 July 2022 to but excluding 21 October 2022.

Ranking of the Notes

The Notes are (1) general obligations of the Company; (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (3) at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations; (5) effectively subordinated to the secured obligations of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) to the extent of the value of the assets serving as security therefor; and (6) effectively subordinated to all existing and future obligations of the subsidiaries of the Company which are not Subsidiary Guarantors or JV Subsidiary Guarantors (if any).

Events of default

The events of default under the Notes include, among others: (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise; (b) default in the payment of interest on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days; (c) default in the performance or breach of the provisions of certain covenants under the Indenture relating to consolidation, merger and sale of assets, the failure by the Company to make or consummate an offer to purchase in the manner described in the Indenture; (d) default by the Company or certain of its subsidiaries in the performance of or breaches of any other covenant or agreement in the Indenture or under the Notes (other than a default specified in (a), (b) or (c) above) and such default or breach

continues for a period of 30 consecutive days after written notice of such default or breach to the Company by the Holders of 25% or more in aggregate principal amount of the Notes then outstanding; (e) there occurs with respect to any indebtedness of the Company or certain of its subsidiaries having an outstanding principal amount of US\$10.0 million or more in the aggregate for all such indebtedness, whether such indebtedness now exists or shall hereafter be created, (i) an event of default that has caused the holder of such indebtedness to declare such indebtedness to be due and payable prior to its stated maturity and/or (ii) the failure to make a principal payment when due; (f) one or more final judgments or orders for the payment of money are rendered against the Company or certain of its subsidiaries and are not paid or discharged, and there is a period of 60 consecutive days following entry of the final judgment or order that causes the aggregate amount for all such final judgments or orders outstanding and not paid or discharged against all such persons to exceed US\$10.0 million during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect; (g) involuntary bankruptcy or insolvency proceedings against the Company or certain of its subsidiaries; voluntary bankruptcy or insolvency proceedings commenced by the Company or certain of its subsidiaries or consent to such similar action or effect any general assignment for the benefit of creditors; (h) the Company or certain of its subsidiaries (i) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (ii) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or certain of its subsidiaries or for all or substantially all of the property and assets of the Company or certain of its subsidiaries or (iii) effects any general assignment for the benefit of creditors (other than, in each case under (iv), any of the foregoing that arises from any solvent liquidation or restructuring of a significant subsidiary in the ordinary course of business that shall result in the net assets of such subsidiaries being transferred to or otherwise vested in the Company or certain of its subsidiaries on a pro rata basis or on a basis more favorable to the Company); and (i) any Subsidiary Guarantor or JV Subsidiary Guarantor denying or disaffirming its obligations under its guarantees or, except as permitted by the Indenture, any such guarantee being determined to be unenforceable or invalid or for any reason ceasing to be in full force and effect.

If an event of default (other than an event of default specified in (g) and (i) above) occurs and is continuing under the Indenture, the trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding, may, by written notice to the Company, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. If an event of default specified in clauses (g) or (i) above occurs, the principal of, the premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder.

Covenants

The Notes, the Indenture and the guarantees provided by the Subsidiary Guarantors and the JV Subsidiary Guarantors (if any) will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

- (a) incur additional indebtedness and issue disqualified or preferred stock;

- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (d) issue or sell capital stock of certain of its subsidiaries;
- (e) guarantee indebtedness of certain of its subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict certain of its subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

Optional Redemption

The Notes may be redeemed in the following circumstances:

- (1) At any time prior to 21 October 2022, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.
- (2) At any time and from time to time prior to 21 October 2022, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price equal to 110.75% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

Repurchase of Notes upon change of control

No later than 30 days following the occurrence of certain events constituting a change of control triggering event (as defined in the Notes), the Company will make an offer to repurchase all outstanding Notes at a purchase price equal to 101% of their principal amount thereof plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

Reasons for the Notes Issue

The Company intends to use the proceeds from the Notes Issue for refinancing the Company's existing medium to long-term offshore indebtedness which will become due within one year and in accordance with the Company's green bond framework.

Listing and rating

Application will be made to the SGX-ST for the listing and quotation of the Notes on the SGX-ST. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors (if any) or any other subsidiary or associated company of the Company, the Notes or the Subsidiary Guarantees. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set forth below unless the context requires otherwise:

“Admiralty Harbour”	Admiralty Harbour Capital Limited
“Board”	the board of Directors
“BofA Securities”	Merrill Lynch (Asia Pacific) Limited
“Company”	Landsea Green Properties Co., Ltd. (formerly known as Landsea Green Group Co., Ltd.), a limited liability company incorporated in Bermuda, the Shares of which are listed on the main board of the Stock Exchange (stock code: 106)
“Connected Person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guotai Junan International”	Guotai Junan Securities (Hong Kong) Limited
“Haitong International”	Haitong International Securities Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the written agreement entered into between the Company, the Subsidiary Guarantors as guarantors and DB Trustees (Hong Kong) Limited as trustee, that specifies the terms and conditions of the Notes including the covenants, events of default, interest rate of the Notes and the maturity date

“JV Subsidiary Guarantor”	certain subsidiaries of the Company, other than the Subsidiary Guarantors, that guarantee the Company’s obligations under the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	the US\$200 million 10.75% senior notes due 2022 to be issued by the Company
“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan for the purpose of this announcement
“Purchase Agreement”	the agreement dated 15 January 2020 entered into by and among Guotai Junan International, Haitong International, BofA Securities, Admiralty Harbour, the Company and the Subsidiary Guarantors in relation to the Notes Issue
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantee”	guarantees for the Notes to be provided by the Subsidiary Guarantors
“Subsidiary Guarantor”	certain existing non-PRC subsidiaries of the Company that on the issue date of the Notes will provide guarantees for the Notes
“US\$”	United States dollar(s), the lawful currency of the United States
“United States”	the United States of America
“%”	per cent

By Order of the Board
Landsea Green Properties Co., Ltd.
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 16 January 2020

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Tian Ming, Ms. Shen Leying, Ms. Zhou Qin and Mr. Xie Yuanjian, one non-executive Director, namely Mr. Zhou Yimin, and four independent non-executive Directors, namely Mr. Xu Xiaonian, Mr. Lee Kwan Hung, Eddie, Mr. Chen Tai-yuan and Mr. Rui Meng.