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ANNOUNCEMENT

BY

EASY TACTIC LIMITED

怡略有限公司

RELATING TO THE FOLLOWING NOTES

Description of Debt Securities	ISIN
6.5% Cash / 7.5% PIK SENIOR NOTES DUE 2025 (the “ 2025 Notes ”)	XS2495355674
6.5% Cash / 7.5% PIK SENIOR NOTES DUE 2027 (the “ 2027 Notes ”)	XS2495358009
6.5% Cash / 7.5% PIK SENIOR NOTES DUE 2028 (the “ 2028 Notes ”)	XS2495359403

BACKGROUND

Since the second half of 2021, the Mainland China property market has slowed down and real estate developers have been confronted with unprecedented difficulties with regard to liquidity and financing. The industry-wide challenges also weakened confidence among homebuyers and impeded the overall demand for real estate sales in Mainland China, which further exacerbated the liquidity pressure and financial distress for many developers. While the China Central Government continues to implement policies to mitigate further negativity and restore stability to the sector, especially for end users seeking their first home transactions, policy transmission takes time. Currently, the market is yet to recover, and the progress of improvement in the properties sales among real estate developers, including the Group (as defined below), is slow.

Despite the industry-wide challenges, directors of Guangzhou R&F Properties Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) have formulated a number of plans and measures to mitigate the Group’s liquidity pressure and improve its financial position, including but not limited to communicating with various stakeholders, accelerating the pre-sales and sales of its properties under development and completed properties, speeding up the collection of outstanding sales proceeds and other receivables, and actively adjusting sales and pre-sale activities to better respond to market needs. In May 2024, the Group completed the disposal of the ONE Nine Elms project and the related consent solicitation, which were accompanied by an

exchange offer made by a third party purchaser. As a result, the Group successfully reduced its debt scale by discharging the project loan in relation the ONE Nine Elms project, as well as cancellation of the Easy Tactic Notes (as defined below) received from the purchaser as consideration for the disposal. The Group will continue to seek suitable opportunities to dispose of its equity interest in certain project development companies to generate additional cash inflows.

As at the date of this announcement, the business operations of the Group remain normal. The Group will continue to work relentlessly to ensure the delivery of properties, accelerate the sales of properties and stabilize its business operations. Despite the strained market environment, the Group remains hopeful that the real estate market in Mainland China will gradually recover with the China Central Government's introduction of policies promoting healthy recovery of the real estate industry.

UPDATE IN RELATION TO THE EASY TACTIC NOTES

Easy Tactic Limited (“**Easy Tactic**”), a subsidiary of the Company, issued the 2025 Notes, the 2027 Notes and the 2028 Notes (together, the “**Easy Tactic Notes**”). The Easy Tactic Notes are listed on the Singapore Exchange Securities Trading Limited.

As at the date of this announcement, US\$1,034,162,134 in principal amount of the 2025 Notes, US\$1,921,827,815 in principal amount of the 2027 Notes and US\$1,571,167,017 in principal amount of the 2028 Notes remain outstanding.

Subject to the terms of the Easy Tactic Notes, the Easy Tactic Notes each bear interest at the rate of 6.5% per annum, payable on 11 January and 11 July in each year. The interest in the amounts of US\$33,610,269.29 under the 2025 Notes, US\$62,459,403.83 under the 2027 Notes, and US\$51,062,927.96 under the 2028 Notes became due and payable in cash on 11 July 2024. Easy Tactic has a grace period of 30 days to make the interest payment. As at the date of this announcement, the grace period has expired. In view of the liquidity pressure currently faced by the Group as mentioned above, Easy Tactic has not made the payment in cash before the expiry.

The non-payment with respect to the Easy Tactic Notes may lead to the noteholders demanding for acceleration of repayment.

ACTIONS TO BE TAKEN BY THE GROUP

The Company is in discussions with the holders of the Easy Tactic Notes for an amicable solution and will continue to closely monitor the situation and consider all possible actions including but not limited to the formulation of a holistic liability management solution in respect of the Group's offshore debts.

To pursue the formulation of a holistic liability management solution in respect of the Group's offshore debts, the Company has engaged Alvarez & Marsal Corporate Finance Limited as its financial advisor and Sidley Austin as its legal advisor. The Company will work with its advisors to explore comprehensive and feasible solutions, which ensure a fair treatment to all creditors, with a view to securing the long-term future development of the Group for the benefit of all stakeholders. The Group looks forward to having a constructive dialogue with, and seeks the support and cooperation from, its creditors, in quest for a holistic solution to the Group's offshore debts as a whole to get through the industry-wide difficulties together.

The Company's offshore creditors may contact the representatives of the financial advisor of the Company (whose contact details are set out below):

Address: Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong

Email: GuangzhouRF@alvarezandmarsal.com

The Company will maintain active communications with creditors and will provide updates as and when appropriate in accordance with applicable laws on any material developments.

11 August 2024