

LOGAN

龍光集團

Logan Group Company Limited

龍光集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3380)

INSIDE INFORMATION WINDING-UP PETITION

This announcement is made by Logan Group Company Limited (the “**Company**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09, Rule 13.25(1)(b) and Rule 37.47E(c) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

THE PETITIONS

On 7 November 2022, the Company and two wholly- owned subsidiaries of the Company (namely, Kam Wang (Hong Kong) Investments Company Limited (金泓(香港)投資有限公司) and Yuen Ming (Hong Kong) Investments Company Limited (潤銘(香港)投資有限公司), the “**Relevant Subsidiaries**”) received a winding-up petition dated 4 November 2022 filed by Citicorp International Limited (the “**Petitioner**”), as trustee of the relevant series of notes, which to the best of knowledge and belief of the Company represents few noteholders of the relevant series of notes, at the Grand Court of the Cayman Islands (the “**Grand Court**”) (in the case of the Company) and the High Court of the Hong Kong Special Administrative Region (the “**High Court**”) (in the case of the Relevant Subsidiaries), respectively, in connection with the 5.75% senior notes due 2025 (Debt Stock Code: 40114; ISIN: XS2099677747; Common Code: 209967774) (the “**Notes**”).

The board of directors of the Company (the “**Board**”) is of the view that the petitions do not represent the interests of other stakeholders and may impair the value of the Company. Therefore, the Company will seek legal measures to oppose the petitions, and take all necessary actions to protect its legal rights.

The Company has actively engaged constructive dialogue with its offshore creditors. It strives to treat all classes of creditors fairly and protect the interests of the stakeholders of the Group. Since the second half of August 2022, the Company and its financial advisor engaged with various creditors for the framework holistic liability management solution. It has obtained support intention letters from many creditors. They are willing to reach the relevant solution with the Company as soon as practicable to facilitate the implementation of the holistic liability management solutions. The Company and its financial advisor will continue to actively engage in constructive dialogue with the ad hoc group formed by the offshore creditors of its public notes and their respective financial advisors to reach a consensus on the holistic liability management solution as soon as practicable.

The Company is confident that it will be able to implement the holistic liability management solution while maintaining stable operations, to ensure maximum value preservation and protection of the interests of all stakeholders.

Section 99 of the Companies Act (2022 Revision) of the Cayman Islands (the “Act”)

Under section 99 of the Act, in the event that the Company is ultimately wound up as a result of the petition, any disposition of the property owned directly by the Company (and for the avoidance of doubt excluding property owned by subsidiaries of the Company (such as, but not limited to, assets owned by subsidiaries of the Company in the People’s Republic of China)), any transfer of shares of the Company, or any alteration in the status of the members of the Company, after the commencement of the winding up, namely the time of the presentation of the petition (the “**Commencement Date**”), will be void unless a validation order is obtained from the Grand Court. Any such disposition, transfer or alternation made on or after the Commencement Date will not be affected if the Petition is subsequently struck out, dismissed or permanently stayed.

Section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the “Companies (WUMP) Ordinance”)

Under section 182 of the Companies (WUMP) Ordinance, in the event that each of the Relevant Subsidiaries are ultimately wound up as a result of the petition, any disposition of the property directly owned by each of the Relevant Subsidiaries (for the avoidance of doubt, excluding the property of the other subsidiaries the Company (such as, but not limited to, assets owned by other subsidiaries of the Company in the People’s Republic of China)), any transfer of shares of the Relevant Subsidiaries, or alteration in the status of the members of the Relevant Subsidiaries, after the commencement of the winding up, namely the Commencement Date, will be void unless a validation order is obtained from the High Court. Any disposition of the property, transfer or alteration made on or after the Commencement Date will not be affected if the respective petitions are subsequently struck out, dismissed or permanently stayed.

Transfer of shares of the Company

Given the effect of section 99 of the Act, the Board wishes to remind the shareholders and potential investors of the Company that the transfer of the shares in the Company made after the Commencement Date will be void absent a validation order from the Grand Court.

Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited (“**HKSCC**”) in relation to the transfer of the shares of listed issuers after a winding-up petition has been presented, in view of these restrictions and the uncertainties that may arise in relation to the transfer of shares of the Company, for participant(s) who conduct share transfers through HKSCC (the “**Participant(s)**”), HKSCC may, at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System (“**CCASS**”) to temporarily suspend any of its services in respect of shares of the Company. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet re-registered in HKSCC Nominee Limited’s name will be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account. These measures would generally cease to apply from the date when the winding-up petition has been dismissed or permanently stayed, or the Company has obtained the necessary validation order from the Grand Court.

Application for validation order

The Company will seek legal advice and take all necessary actions to protect its legal rights. In view of the Petition, the Company will apply to the Grand Court for a validation order in relation to any transfers of shares in the Company made after the Commencement Date. Shareholders are reminded that there is no guarantee that such validation order would be granted by the Grand Court. The Company will also consider whether to apply to the Grand Court for a validation order in relation to any necessary dispositions of the property of the Company made after the Commencement Date.

OFFSHORE USD DENOMINATED SENIOR NOTES

The Petition may lead to the Company’s other creditors demanding acceleration of repayment. As at the date of this announcement, except for the Notes, the Company has not received any notice regarding acceleration of payment by holders of the offshore USD denominated senior notes issued by the Company.

RESUMPTION OF TRADING

At the request of the Company, the trading in the shares of the Company on the Stock Exchange was suspended with effect from 1:02 p.m. on 7 November 2022 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 8 November 2022.

Holders of the Company's securities and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Logan Group Company Limited
Kei Hoi Pang
Chairman

Hong Kong, 7 November 2022

As at the date of this announcement, the executive directors of the Company are Mr. Kei Hoi Pang, Mr. Lai Zhuobin, Mr. Xiao Xu, Mr. Zhong Huihong and Ms. Huang Xiangling; and the independent non-executive directors of the Company are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca and Mr. Cai Suisheng.