



天譽置業 (控股) 有限公司
SKYFAME REALTY (HOLDINGS) LIMITED
(Incorporated in Bermuda with limited liability)

INSIDE INFORMATION

This announcement is made by Skyfame Realty (Holdings) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

Reference is made to (i) the inside information announcement of the Company dated 15 June 2022 relating to, among other things, the 13% interest-bearing senior notes due on 8 July 2022 (ISIN: XS2022224047) issued by the Company and listed on the Singapore Exchange Securities Trading Limited (“**SGX**”) and the 13% interest-bearing senior notes due on 16 December 2023 (ISIN: XS2272702338) issued by a subsidiary of the Company and listed on SGX; and (ii) the inside information announcement of the Company dated 26 June 2022 (the “**Announcement**”) relating to, among other things, the non-payment of the outstanding principal of the Loan and the accrued but unpaid interest thereon. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as defined in the Announcement.

BACKGROUND

In the first five months of 2022, even with no newly raised offshore fund and sluggish property sales, the Group in aggregate has repaid principal and interest of approximately RMB 2.89 billion to banks and other creditors. However, in 2022, the principal and interest of certain debts of the Group remain due to expire, among which the Company failed to repay all the outstanding principal of HK\$340 million of the secured Loan together with the accrued but unpaid interest thereon (with property mortgaged and the mortgage rate does not exceed 22%) as referred to in the Announcement as the Lender in Hong Kong finally did not approve the extension of the Loan after the grace period on 24 June 2022 which constituted the “Non-payment” of the Company and has triggered the cross-default of all offshore debts of the Group. If the relevant creditors of the other offshore financing arrangements of the Group choose to accelerate the payment in accordance with the terms of such financing arrangements, such financing arrangements may become due and payable immediately. The management of the Group has made best possible efforts to extend the above debt but was unsuccessful to extend it, which has caused the Group's offshore debts to suffer heavy blows and also made the Group face unprecedented liquidity pressure at this stage.

APPLICATION FOR LIGHT TOUCH PROVISIONAL LIQUIDATION

As of the date of this announcement, in order to protect the fair and reasonable interests of all the Company's creditors, the Company is exploring various options to restructure the Company's debt in Bermuda and made an application with the Bermuda Court for appointment of "light touch" provisional liquidators ("**Light Touch PLs**") and presented a winding-up petition. The Company were advised by the Bermuda legal counsel that, once the Bermuda Court allows the said application, Light Touch PLs would be appointed with powers as outlined in the appointment order. Following appointment of Light Touch PLs, the Company would be bound by the appointment order and would be under a positive obligation to cooperate with and assist the Light Touch PLs (as the court officers) in discharging their duties, including formulation and implementation of a viable restructuring plan. The Company is determined to promote the Company's debt restructuring plan in an orderly manner under the guidance and supervision of Light Touch PLs and the Bermuda Court. Upon appointment of Light Touch PLs, the directors of the Company would remain to manage the daily affairs of the Company, and the Company's business can be operated ordinarily. Further, the application for appointment of Light Touch PLs is aimed to protect the Company from aggressive legal actions commenced by certain creditors, so that the directors may focus on the debt restructuring efforts, bearing in mind the overall interests of all of the Company's creditors.

The Group sincerely apologizes to its creditors for not being able to fulfill its offshore debt obligations as scheduled, and sincerely hopes that its creditors will give the Group a certain cushion period to solve the current issue. The Group is full of confidence in the prospects of China's economic development and has firm belief in the quality of the Group's assets and business prospects. The Group will maintain active communication with its creditors, promote the debt restructuring of the Group in an orderly manner, and do its best to protect the fair and reasonable interests of all its creditors.

The board of directors and the management of the Company will closely monitor the development of the aforesaid issues, constantly assess the potential impact of these events on the business development and financial conditions of the Group, and make further announcement(s) in due course in respect of any material update.

Shareholders of the Company and other investors are advised to exercise caution when dealing in the securities of the Company and, if in doubt, may seek professional advice from their own professional or financial advisors.

By order of the Board
Skyfame Realty (Holdings) Limited
YU Pan
Chairman

Hong Kong, 5 July 2022

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. YU Pan (Chairman), Mr. WANG Chenghua and Mr. JIN Zhifeng; one non-executive Director, namely Ms. WANG Kailing; and three independent non-executive Directors, namely Mr. WEN Xiaojing, Mr. CUI Yuan and Ms. TANG Yu.