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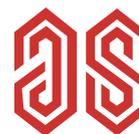


**ASIA ORIENT HOLDINGS  
LIMITED**

**滙漢控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 214)**



**ASIA STANDARD INTERNATIONAL  
GROUP LIMITED**

**泛海國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 129)**

**DISCLOSEABLE TRANSACTION  
IN RELATION TO ACQUISITIONS OF  
12% CHINA EVERGRANDE NOTES DUE 2024  
AND  
11.5% CHINA EVERGRANDE NOTES DUE 2023**

**THE ACQUISITIONS**

On 12 March 2020, ASI Acquirer acquired the 12% China Evergrande Notes on the open market in the principal amount of US\$10 million (equivalent to approximately HK\$78 million), at a consideration of US\$8.8875 million (equivalent to approximately HK\$69.32 million). On 13 March 2020, ASI Acquirer acquired the 12% China Evergrande Notes and the 11.5% China Evergrande Notes on the open market in the principal amounts of US\$12.4 million (equivalent to approximately HK\$96.72 million) and US\$10 million (equivalent to approximately HK\$78 million), at a consideration of US\$9.7935 million (equivalent to approximately HK\$76.39 million) and US\$8.4 million (equivalent to approximately HK\$65.52 million), respectively.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Acquisitions, after aggregation with the Previous Acquisitions, exceeds 5% but is or are less than 25% for each of AO and ASI, the Acquisitions constitute a discloseable transaction for each of AO and ASI, and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

On 12 March 2020, ASI Acquirer acquired the 12% China Evergrande Notes on the open market in the principal amount of US\$10 million (equivalent to approximately HK\$78 million), at a consideration of US\$8.8875 million (equivalent to approximately HK\$69.32 million). On 13 March 2020, ASI Acquirer acquired the 12% China Evergrande Notes and the 11.5% China Evergrande Notes on the open market in the principal amounts of US\$12.4 million (equivalent to approximately HK\$96.72 million) and US\$10 million (equivalent to approximately HK\$78 million), at a consideration of US\$9.7935 million (equivalent to approximately HK\$76.39 million) and US\$8.4 million (equivalent to approximately HK\$65.52 million), respectively.

In view that the Acquisitions were conducted through the open market, AO and ASI are not aware of the identities of the vendors of the 12% China Evergrande Notes and the 11.5% China Evergrande Notes. To the best of the knowledge, information and belief of the AO Directors and the ASI Directors having made all reasonable enquiries, the vendors of the 12% China Evergrande Notes and the 11.5% China Evergrande Notes and their respective ultimate beneficial owners are Independent Third Parties of AO and ASI.

## INFORMATION ON THE NOTES

Issuer	:	China Evergrande
Date of Acquisition, Acquisition price and date of settlement	:	Acquisition made on 12 March 2020:  12% China Evergrande Notes – US\$8.8875 million (equivalent to approximately HK\$69.32 million), the date of settlement of which is 16 March 2020  Acquisitions made on 13 March 2020:  12% China Evergrande Notes – US\$9.7935 million (equivalent to approximately HK\$76.39 million), the date of settlement of which is 17 March 2020  11.5% China Evergrande Notes – US\$8.4 million (equivalent to approximately HK\$65.52 million), the date of settlement of which is 17 March 2020
Total issue size	:	12% China Evergrande Notes: US\$1,000 million in aggregate  11.5% China Evergrande Notes: US\$1,000 million in aggregate

Principal amount of the Acquisition	:	<p>Acquisition made on 12 March 2020:</p> <p>12% China Evergrande Notes – US\$10 million (equivalent to approximately HK\$78 million)</p> <p>Acquisitions made on 13 March 2020:</p> <p>12% China Evergrande Notes – US\$12.4 million (equivalent to approximately HK\$96.72 million)</p> <p>11.5% China Evergrande Notes – US\$10 million (equivalent to approximately HK\$78 million)</p>
Interest rate and payment	:	<p>12% China Evergrande Notes: will bear interest at the rate of 12.0% per annum. Interest will be payable semi-annually in arrears on 22 January and 22 July of each year, beginning on 22 July 2020</p> <p>11.5% China Evergrande Notes: will bear interest at the rate of 11.5% per annum. Interest will be payable semi-annually in arrears on 22 January and 22 July of each year, beginning on 22 July 2020</p>
Maturity date	:	<p>12% China Evergrande Notes: 22 January 2024</p> <p>11.5% China Evergrande Notes: 22 January 2023</p>
Ranking of the Notes	:	<p>The Notes are (1) general obligations of China Evergrande, (2) at least <i>pari passu</i> in right of payment against China Evergrande with the existing <i>pari passu</i> secured indebtedness and all other unsecured, unsubordinated indebtedness of China Evergrande (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law), (3) senior in right of payment to any existing and future obligations of China Evergrande expressly subordinated in right of payment to the Notes, (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 other secured obligations of China Evergrande, the Subsidiary Guarantors and the JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor (other than the collateral securing the Notes), and (6) effectively subordinated to all existing and future obligations of the non-guarantor subsidiaries</p>

Optional redemption : 12% China Evergrande Notes:  
for the Notes

On or after 22 January 2022, China Evergrande may on any one or more occasions redeem all or any part of the 12% China Evergrande Notes, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the 12% China Evergrande Notes redeemed, to (but not including) the applicable date of redemption, if redeemed during the twelve-month period beginning on 22 January of the years indicated below:

<b>Year</b>	<b>Redemption price</b>
2022	106.0%
2023 and thereafter	103.0%

At any time prior to 22 January 2022, China Evergrande may at its option redeem the 12% China Evergrande Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 12% China Evergrande Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date

At any time and from time to time prior to 22 January 2022, China Evergrande may redeem up to 35% of the aggregate principal amount of the 12% China Evergrande Notes at a redemption price of 112.0% of the principal amount of the 12% China Evergrande Notes redeemed, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of its capital stock, subject to certain conditions

11.5% China Evergrande Notes:

At any time prior to 22 January 2023, China Evergrande may at its option redeem the 11.5% China Evergrande Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 11.5% China Evergrande Notes redeemed plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time and from time to time prior to 22 January 2023, China Evergrande may redeem up to 35% of the aggregate principal amount of the 11.5% China Evergrande Notes at a redemption price of 111.5% of the principal amount of the 11.5% China Evergrande Notes redeemed, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of its capital stock, subject to certain conditions

Listing : The Notes are listed and quoted on the SGX-ST

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

The Acquisitions form part of the investing activities of ASI Group, which are conducted in its ordinary and usual course of business. ASI Group intends to fund the Acquisition prices of the Notes by its internal cash resources and banking facilities.

Having considered the terms of the 12% China Evergrande Notes and the 11.5% China Evergrande Notes (including their respective Acquisition prices, the interest rates and the maturity dates), the AO Directors and the ASI Directors respectively are of the view that the terms of the 12% China Evergrande Notes and the 11.5% China Evergrande Notes are fair and reasonable and the Acquisitions are in the interests of AO and ASI and their respective shareholders as a whole.

## **INFORMATION ON AO, ASI AND ASI ACQUIRER**

AO is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. AO and its subsidiaries are principally engaged in property management, development and investment, hotel operations and securities investments.

ASI is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. ASI and its subsidiaries are principally engaged in investment and development of commercial, retail and residential properties in Hong Kong and the PRC and securities investments. Through ASH, ASI is also involved in hotel operations.

ASI Acquirer is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI. As at the date hereof, it is principally engaged in securities investment.

## **INFORMATION ON CHINA EVERGRANDE**

China Evergrande was founded in 1996 in Guangzhou City, Guangdong Province, the PRC and has established an overall industry layout leveraging in real estate development as its foundation, developing cultural tourism and health and wellbeing management industries as complementary pillars, and focusing in new energy vehicles as a lead growth driver. It is ranked 138th in the Fortune Global 500 in 2019.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Acquisitions, after aggregation with the Previous Acquisitions, exceeds 5% but is or are less than 25% for each of AO and ASI, the Acquisitions constitute a discloseable transaction for each of AO and ASI, and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

Unless the context otherwise requires, the following terms have the following meanings in this joint announcement:

“11.5% China Evergrande Notes”	the 11.5% senior notes due 2023 in the aggregate principal amount of US\$1,000 million issued by China Evergrande, which will mature on 22 January 2023
“12% China Evergrande Notes”	the 12% senior notes due 2024 in the aggregate principal amount of US\$1,000 million issued by China Evergrande, which will mature on 22 January 2024
“12% Scenery Notes”	the 12% senior notes due 2023 in the aggregate principal amount of US\$2,000 million issued by Scenery Journey Limited, an indirect subsidiary of China Evergrande, which will mature on 24 October 2023
“Acquisition(s)”	as the case may be, (i) the acquisition of the 12% China Evergrande Notes by ASI Acquirer on 12 March 2020 in the principal amount of US\$10 million, at a consideration of US\$8.8875 million; and/or (ii) the acquisitions of the 12% China Evergrande Notes and the 11.5% China Evergrande Notes by ASI Acquirer on 13 March 2020 in the principal amounts of US\$12.4 million and US\$10 million, at a consideration of US\$9.7935 million and US\$8.4 million, respectively
“AO”	Asia Orient Holdings Limited (Stock Code: 214), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“AO Director(s)”	the director(s) of AO, including the independent non-executive director(s)
“AO Group”	AO and its subsidiaries, including ASI Group and ASH Group
“ASH”	Asia Standard Hotel Group Limited (Stock Code: 292), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASH Group”	ASH and its subsidiaries
“ASI”	Asia Standard International Group Limited (Stock Code: 129), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASI Acquirer”	Techfull Properties Corp., a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of ASI

“ASI Director(s)”	the director(s) of ASI, including the independent non-executive director(s)
“ASI Group”	ASI and its subsidiaries, including ASH Group
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“China Evergrande”	China Evergrande Group (Stock Code: 3333), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of AO or ASI (as the case may be) and each of its connected persons
“JV Subsidiary Guarantor(s)”	certain subsidiary(ies) of China Evergrande, other than the Subsidiary Guarantors, that guarantee China Evergrande’s obligations under the Notes
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Notes”	the 11.5% China Evergrande Notes and the 12% China Evergrande Notes (as the case may be)
“percentage ratio(s)”	has the same meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, and for the purpose of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Acquisitions”	in January 2020 in relation to the previous subscriptions of (i) the 12% China Evergrande Notes by AO Group, ASI Group and ASH Group in the principal amounts of US\$10 million, US\$22 million and US\$18 million, respectively, on a non-consolidated and standalone basis; and (ii) the 12% Scenery Notes by ASI Group and ASH Group in the principal amounts of US\$50 million and US\$50 million, respectively, on a non-consolidated and standalone basis; and on 9 March 2020 in relation to the previous acquisitions of the 12% China Evergrande Notes by ASI Group and ASH Group in the principal amounts of US\$10 million and US\$10 million, respectively, on a non-consolidated and standalone basis

“SGX-ST”	the Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantor(s)”	the subsidiaries of China Evergrande which guarantee the Notes, other than the JV Subsidiary Guarantors
“US\$”	United States Dollars, the lawful currency of the United States of America
“%”	per cent

*In this joint announcement, amounts denominated in US\$ are converted into HK\$ at the rate of US\$1.00 = HK\$7.80. Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.*

By Order of the Board of  
**Asia Orient Holdings Limited**  
**Fung Siu To, Clement**  
*Chairman*

By Order of the Board of  
**Asia Standard International Group Limited**  
**Fung Siu To, Clement**  
*Chairman*

Hong Kong, 16 March 2020

*As at the date of this joint announcement,*

- (a) *the executive directors of AO are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas and the independent non-executive directors of AO are Mr. Cheung Kwok Wah, Mr. Hung Yat Ming and Mr. Wong Chi Keung; and*
- (b) *the executive directors of ASI are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas and the independent non-executive directors of ASI are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung and Mr. Wong Chi Keung.*

\* *for identification purpose only*