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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  
CHINA EVERGRANDE NOTES**

**THE ACQUISITIONS**

On 20 March 2020, ASI Acquirer acquired the China Evergrande Notes on the open market in the aggregate notional amount of US\$12 million (equivalent to approximately HK\$93.6 million), at the aggregate consideration of approximately US\$7.89 million (equivalent to approximately HK\$61.54 million).

**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 20 March 2020, ASI Acquirer acquired the China Evergrande Notes on the open market in the aggregate notional amount of US\$12 million (equivalent to approximately HK\$93.6 million), at the aggregate consideration of approximately US\$7.89 million (equivalent to approximately HK\$61.54 million).

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 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 China Evergrande Notes and their respective ultimate beneficial owners are Independent Third Parties of AO and ASI.

## INFORMATION ON THE CHINA EVERGRANDE NOTES

Issuer	:	12% China Evergrande Notes Due 2024: China Evergrande 12% China Evergrande Notes Due 2023 and 13.75% China Evergrande Notes Due 2023: Scenery Journey
Acquisition price and date of settlement	:	12% China Evergrande Notes Due 2024: approximately US\$1.99 million (equivalent to approximately HK\$15.52 million), the date of settlement of which is 24 March 2020 12% China Evergrande Notes Due 2023: approximately US\$2.6 million (equivalent to approximately HK\$20.28 million), the date of settlement of which is 24 March 2020 13.75% China Evergrande Notes Due 2023: approximately US\$3.3 million (equivalent to approximately HK\$25.74 million), the date of settlement of which is 24 March 2020
Notional amount of the Acquisition	:	12% China Evergrande Notes Due 2024: US\$3 million (equivalent to approximately HK\$23.4 million) 12% China Evergrande Notes Due 2023: US\$4 million (equivalent to approximately HK\$31.2 million) 13.75% China Evergrande Notes Due 2023: US\$5 million (equivalent to approximately HK\$39 million)
Interest rate and payment	:	12% China Evergrande Notes Due 2024: will bear interest at the rate of 12% per annum. Interest will be payable semi-annually in arrears on 22 January and 22 July of each year, beginning on 22 July 2020 12% China Evergrande Notes Due 2023: will bear interest at the rate of 12% per annum. Interest will be payable semi-annually in arrears on 24 January and 24 July of each year, beginning on 24 July 2020 except that the last interest period will be from and including 24 July 2023 to but excluding 24 October 2023 13.75% China Evergrande Notes Due 2023: will bear interest at the rate of 13.75% per annum. Interest will be payable semi-annually in arrears on 6 May and 6 November of each year, beginning on 6 May 2019

Ranking

: 12% China Evergrande Notes Due 2024:

The 12% China Evergrande Notes Due 2024 are (1) general obligations of China Evergrande, (2) at least *pari passu* in right of payment against China Evergrande with the existing *pari passu* 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 12% China Evergrande Notes Due 2024, (4) guaranteed by the China Evergrande Subsidiary Guarantors and the China Evergrande 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 China Evergrande Subsidiary Guarantors and the China Evergrande JV Subsidiary Guarantors, to the extent of the value of the assets serving as security therefor (other than the collateral securing the 12% China Evergrande Notes Due 2024), and (6) effectively subordinated to all existing and future obligations of the non-guarantor subsidiaries

12% China Evergrande Notes Due 2023:

The 12% China Evergrande Notes Due 2023 are (1) general obligations of Scenery Journey, (2) senior in right of payment to any existing and future obligations of Scenery Journey expressly subordinated in right of payment to the 12% China Evergrande Notes Due 2023, (3) at least *pari passu* in right of payment with all the unsecured, unsubordinated indebtedness of Scenery Journey, including the Existing Scenery Journey Notes, (4) guaranteed by Tianji Holding, the Tianji Holding Subsidiary Guarantors and the Tianji Holding JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations, (5) effectively subordinated to the secured obligations of Tianji Holding, Scenery Journey, the Tianji Holding Subsidiary Guarantors and the Tianji Holding JV Subsidiary Guarantors, 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 non-guarantor subsidiaries

### 13.75% China Evergrande Notes Due 2023:

The 13.75% China Evergrande Notes Due 2023 are (1) general obligations of Scenery Journey, (2) senior in right of payment to any existing and future obligations of Scenery Journey expressly subordinated in right of payment to the 13.75% China Evergrande Notes Due 2023, (3) at least *pari passu* in right of payment with all the unsecured, unsubordinated indebtedness of Scenery Journey, (4) guaranteed by Tianji Holding, the Tianji Holding Subsidiary Guarantors and the Tianji Holding JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations, (5) effectively subordinated to the secured obligations of Tianji Holding, Scenery Journey, China Evergrande, the Tianji Holding Subsidiary Guarantors and the Tianji Holding JV Subsidiary Guarantors, 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 non-guarantor subsidiaries

Optional redemption : 12% China Evergrande Notes Due 2024:

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 Due 2024, at the redemption prices (expressed as percentages of notional amount) set forth below, plus accrued and unpaid interest, if any, on the 12% China Evergrande Notes Due 2024 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%
2023 and thereafter	103%

At any time prior to 22 January 2022, China Evergrande may at its option redeem the 12% China Evergrande Notes Due 2024, in whole but not in part, at a redemption price equal to 100% of the notional amount of the 12% China Evergrande Notes Due 2024 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 notional amount of the 12% China Evergrande Notes Due 2024 at a redemption price of 112% of the notional amount of the 12% China Evergrande Notes Due 2024 redeemed, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of its capital stock, subject to certain conditions

## 12% China Evergrande Notes Due 2023:

On or after 24 October 2021, Scenery Journey may on any one or more occasions redeem all or any part of the 12% China Evergrande Notes Due 2023, at the redemption prices (expressed as percentages of notional amount) set forth below, plus accrued and unpaid interest, if any, on the 12% China Evergrande Notes Due 2023 redeemed, to (but not including) the applicable date of redemption, if redeemed during the respective period indicated below:

<b>Period</b>	<b>Redemption Price</b>
From (and including) 24 October 2021 to (excluding) 24 October 2022	106%
From (and including) 24 October 2022 to (excluding) 24 July 2023	103%

At any time prior to 24 October 2021, Scenery Journey may, upon giving not less than 30 days' nor more than 60 days' notice to the holders and the Trustee, at its option redeem the 12% China Evergrande Notes Due 2023, in whole but not in part, at a redemption price equal to 100% of the notional amount of the 12% China Evergrande Notes Due 2023 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 24 October 2021, Scenery Journey may, upon giving not less than 30 days' nor more than 60 days' notice to the holders and the Trustee, redeem up to 35% of the aggregate notional amount of the 12% China Evergrande Notes Due 2023 at a redemption price of 112% of the notional amount of the 12% China Evergrande Notes Due 2023 redeemed, plus accrued and unpaid interest, if any, with the proceeds from sales of certain kinds of its capital stock, subject to certain conditions

At any time from and including 24 July 2023 to but excluding 24 October 2023, Scenery Journey may, upon giving not less than 15 days' nor more than 30 days' notice to the holders and the Trustee, at its option redeem the 12% China Evergrande Notes Due 2023, in whole but not in part, at a redemption price equal to 100% of the notional amount of the 12% China Evergrande Notes Due 2023 redeemed plus accrued and unpaid interest, if any, to (but not including) the redemption date

### 13.75% China Evergrande Notes Due 2023:

On or after 6 November 2021, Scenery Journey may on any one or more occasions redeem all or any part of the 13.75% China Evergrande Notes Due 2023, at the redemption prices (expressed as percentages of notional amount) set forth below, plus accrued and unpaid interest, if any, on the 13.75% China Evergrande Notes Due 2023 redeemed, to (but not including) the applicable date of redemption, if redeemed during the twelve-month period beginning on 6 November of the years indicated below:

<b>Year</b>	<b>Redemption Price</b>
2021	106.875%
2022 and thereafter	103.4375%

At any time prior to 6 November 2021, Scenery Journey may at its option redeem the 13.75% China Evergrande Notes Due 2023, in whole but not in part, at a redemption price equal to 100% of the notional amount of the 13.75% China Evergrande Notes Due 2023, plus the applicable premium, and accrued and unpaid interest, if any, to (but not including) the redemption date

At any time and from time to time prior to 6 November 2021, Scenery Journey may redeem up to 35% of the aggregate notional amount of the 13.75% China Evergrande Notes Due 2023 with the net cash proceeds of one or more sales of common stock of Hengda Real Estate Group Co., Ltd (a wholly-owned subsidiary of China Evergrande) in an equity offering at a redemption price of 113.75% of the notional amount of the 13.75% China Evergrande Notes Due 2023 redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate notional amount of the 13.75% China Evergrande Notes Due 2023 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

Listing : The China Evergrande 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 China Evergrande Notes by its internal cash resources and banking facilities.

Having considered the terms of the China Evergrande Notes (including the relevant Acquisition prices, interest rates and maturity dates), the AO Directors and the ASI Directors respectively are of the view that the terms of the 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 together with its subsidiaries, 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 Due 2023”	the 11.5% senior notes due 2023 in the aggregate notional amount of US\$1,000 million issued by China Evergrande, which will mature on 22 January 2023
“12% China Evergrande Notes Due 2024”	the 12% senior notes due 2024 in the aggregate notional amount of US\$1,000 million issued by China Evergrande, which will mature on 22 January 2024
“12% China Evergrande Notes Due 2023”	the 12% senior notes due 2023 in the aggregate notional amount of US\$2,000 million issued by Scenery Journey, which will mature on 24 October 2023
“13.75% China Evergrande Notes Due 2023”	the 13.75% senior notes due 2023 in the aggregate notional amount of US\$590 million issued by Scenery Journey, which will mature on 6 November 2023
“Acquisition(s)”	the acquisition(s) of the China Evergrande Notes by ASI Acquirer on 20 March 2020 in the aggregate notional amount of US\$12 million, at the aggregate consideration of approximately US\$7.89 million
“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
“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
“China Evergrande JV Subsidiary Guarantor(s)”	certain subsidiary(ies) of China Evergrande, other than the China Evergrande Subsidiary Guarantors, that guarantee China Evergrande’s obligations under, among others, the 12% China Evergrande Notes Due 2024
“China Evergrande Notes”	the 12% China Evergrande Notes Due 2024, the 12% China Evergrande Notes Due 2023 and the 13.75% China Evergrande Notes Due 2023 (as the case may be)
“China Evergrande Subsidiary Guarantor(s)”	the subsidiaries of China Evergrande which guarantee, among others, the 12% China Evergrande Notes Due 2024, other than the China Evergrande JV Subsidiary Guarantors
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Existing Scenery Journey Notes”	Scenery Journey’s outstanding 11% senior notes due 2020, Scenery Journey’s outstanding 9% senior notes due 2021, Scenery Journey’s outstanding 13% senior notes due 2022 and the 13.75% China Evergrande Notes Due 2023
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“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”

the previous subscriptions and/or acquisitions (as the case may be), on a non-consolidated and standalone basis (A) in January 2020 of (i) the 12% China Evergrande Notes Due 2024 by AO Group, ASI Group and ASH Group in the notional amounts of US\$10 million, US\$22 million and US\$18 million, respectively; and (ii) the 12% China Evergrande Notes Due 2023 by ASI Group and ASH Group in the notional amounts of US\$50 million and US\$50 million, respectively; (B) on 9 March 2020 of the 12% China Evergrande Notes Due 2024 by ASI Group and ASH Group in the notional amounts of US\$10 million and US\$10 million, respectively; (C) on 12 March 2020 of the 12% China Evergrande Notes Due 2024 by ASI Group in the notional amount of US\$10 million; (D) on 13 March 2020 of the 12% China Evergrande Notes Due 2024 and the 11.5% China Evergrande Notes Due 2023 by ASI Group in the notional amounts of US\$12.4 million and US\$10 million, respectively; (E) on 16 March 2020 of the 12% China Evergrande Notes Due 2024 by ASI Group in the notional amount of US\$5 million; (F) on 18 March 2020 of the 12% China Evergrande Notes Due 2023 by ASI Group in the notional amount of US\$10 million; and (G) on 19 March 2020 of the 11.5% China Evergrande Notes Due 2023 by ASI Group in the notional amount of US\$10 million

“Scenery Journey”

Scenery Journey Limited, a company incorporated with limited liability in the British Virgin Islands, an indirectly subsidiary of China Evergrande and the issuer of, among others, the 12% China Evergrande Notes Due 2023 and the 13.75% China Evergrande Notes Due 2023

“SGX-ST”	the Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianji Holding”	Tianji Holding Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of China Evergrande
“Tianji Holding JV Subsidiary Guarantor(s)”	subsidiaries of Tianji Holding that provide limited-recourse guarantee(s) for, among others, the 12% China Evergrande Notes Due 2023 and the 13.75% China Evergrande Notes Due 2023
“Tianji Holding Subsidiary Guarantors”	the subsidiaries of Tianji Holding which guarantee, among others, the 12% China Evergrande Notes Due 2023 and the 13.75% China Evergrande Notes Due 2023
“Trustee”	Citicorp International Limited, as the trustee of, among others, the 12% China Evergrande Notes Due 2023
“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 = HK\$7.8 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, 24 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*