

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Kiu Hung International Holdings Limited

僑雄國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00381)

VOLUNTARY ANNOUNCEMENT SUBSCRIPTION OF BONDS

This is a voluntary announcement made by the Company in relation to the Bonds Subscription.

On 11 October 2019, the Company entered into the Subscription Agreement with the Sole Subscriber pursuant to which the Sole Subscriber agreed to subscribe for the Bonds according to the terms under Placing Agreement joined with the Placing Agent on 25 July 2019, with an aggregate principal amount HK\$500,000,000.

Closing of the Bonds Subscription is subject to fulfillment of the Conditions Precedent under the Subscription Agreement and the parties' rights of termination of the Bonds Subscription under the terms and conditions of the Subscription Agreement. Accordingly, the Bonds Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

This is a voluntary announcement made by the Company in relation to the Bonds Subscription.

THE SUBSCRIPTION AGREEMENT

Date: 11 October 2019 (after trading hours)

Parties

Issuer: the Company

Sole Subscriber: Guangdong Wangzu Green Residential Industry Limited (“廣東旺族綠色住宅工業有限公司”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Sole Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

Bonds subscription

Pursuant to the Subscription Agreement, the Subscription agreed to subscribe for the Bonds with an aggregate principal amount of HK\$500,000,000.

Sole Subscriber

Guangdong Wangzu Green Residential Industry Limited’s registered office is located in Dongguan, a hub of diverse Cantonese history and culture on the east of Pearl River. The company is incorporated in the Dongguan Administration for Industry and Commerce on 24 March 2016 with a registered capital of RMB1 billion. Over the last four years, the company has been providing its clientele with premium product offerings, technical support, and comprehensive aftersales services. It is principally engaged in the research, development, production, and sales of prefabricated modular construction.

Since its inception, the company adopts the down-to-earth approach for its business operation, owing to which, it has a successful development with stable staffing of approximately 100 employees. Amid strict quality control in place during the usual course of business, its market share continues to expand. By persisting in the values of social responsibility, customer accountability, and business commitment, the company meticulously studies each detail of every product so as to provide the community with premium products and services, as well as creating customer values.

Principal terms of the Placing and the Subscription of the Bonds

Principal amount : HK\$500,000,000

Interest : 6% per annum (calculated on the basis of a 365-day year) accrued from and including the date of issue of the relevant Bonds to and including the date immediately preceding the Maturity Date. The interest shall be payable semi-annually in arrears.

- Maturity date : The Company shall redeem each Bond duly issued by it which remains outstanding by 4:00 p.m. on the date falling on the second anniversary of the date of issue of the Bonds (or, if that is not a Business Day, the first Business Day thereafter) at 100% of the principal amount together with any accrued but unpaid interest calculated according to the Bond Instrument.
- Denomination : In minimum denomination of HK\$500,000 and in the integral multiples of HK\$500,000 above HK\$500,000. The minimum principal amount of the Bonds to be issued at the Closing (and each subsequent closing(s)) for such tranche of issue shall be HK\$500,000, save that if the outstanding amount of the Bonds to be issued is less than HK\$500,000, the Bonds may be issued in such amount.
- Prepayment : The Company may prepay the outstanding principal amount of the Bonds at any time after three months from the date of issue of the Bonds but before the Maturity Date by giving the Bondholders not less than 30 days' prior notice in writing to redeem the Bonds at 100% together with interest accrued from the last interest payment date before the date of early redemption up to but excluding the next interest payment date following the date of early redemption.
- Status : The Bonds constitute direct, unconditional and unsubordinated obligations of the Company and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations including but not limited to bonds to be issued by the Company immediately after the execution of the Bond Instrument by the Company.
- Transferability : Subject to the succeeding paragraphs, a Bond may be transferable in whole multiples of HK\$500,000.00 and may be transferred to any person. The Bonds shall only be transferred to professional investors (as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)). None of the Bonds may be transferred to a connected person of the Company or its associates. The subscription agreement itself is not be transferrable nor subject to any amendment.

- Event of default : If any of the event of default as described in the terms and conditions of the Bond Instrument occurs, any Bondholder may give notice to the Company that the Bonds are immediate due and payable and, upon such notice being given to the Company, the Bonds will immediately become due and repayable at their principal amount together with all interests accrued up to the date of the Company's receiving such notice given by the Bondholder.
- Application for listing : No application will be made for a listing of the Bonds on the Stock Exchange or any stock or securities exchange.

The Closing

The Closing of a tranche shall take place after the fulfilment or waiver (as the case may be) of all Conditions Precedent (or such other date as may be agreed in writing between the Parties) and within twenty-two (22) Business Days upon serving such completion notice for such tranche of issue at the principal office of the Company in Hong Kong (or such other place as may be agreed in writing between the Parties) 4:00 p.m. (Hong Kong time) on each relevant Closing Date for such tranche of issue. In any event, the Closing Date shall not be later than the Long Stop Date of the Placing Agreement.

Closing of the Bonds Subscription is subject to fulfillment of the Conditions Precedent under the Subscription Agreement and the Placing Agreement and the parties' rights of termination of the Bonds Subscription under the terms and conditions of the Subscription Agreement. Accordingly, the Bonds Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

- “Board” the board of Directors;
- “Bond(s)” the two-year 6% bonds to be placed pursuant to the Placing Agreement;
- “Bondholder(s)” the holder(s) of the Bonds;
- “Bonds Placing” the placing of the Bonds by the Placing Agent on a best effort basis pursuant to the terms and conditions of the Placing Agreement;
- “Bond Instrument” the instrument by way of deed poll to be executed by the Company dated 11 October 2019 creating and constituting the Bonds;
- “Business Day” a day (except a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business during their normal business hours;

“Closing”	the closing of the subscription for the relevant Bond(s) of a tranche of the Bonds;
“Closing Date”	the date on which the Closing takes place for each relevant tranche;
“Company”	Kiu Hung International Holdings Limited (Stock Code: 381), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	director(s) of the Company;
“Independent Third Parties”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and Directors, chief executives, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates;
“Group”	the Company and its subsidiaries, and a “Group Company” means each member of the Group;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	the last day of the Placing Period;
“Maturity Date”	on the second anniversary of the issue of the relevant Bonds, subject to the provisions under the Bond Instrument;
“Placee(s)”	any professional, institutional and other investor whom the Placing Agent has procured to subscribe for any of the Bonds pursuant to the Placing Agreement;
“Placing Agent”	Shun Loong Securities Company Limited, a corporation licensed to carry out Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Placing Agreement”	the placing agreement between the Company and the Placing Agent dated 11 October 2019;

“Placing Period”	the period commencing from the date of the Placing Agreement and terminating on the date falling on the expiration of six (6) months from the date of the Placing Agreement (or such later time and date as the Company and the Placing Agent may agree in writing);
“Share(s)”	ordinary share(s) of the Company;
“Shareholder(s)”	the holder(s) of issued Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

By order of the Board
Kiu Hung International Holdings Limited
Zhang Qijun
Chairman

Hong Kong, 14 October 2019

As at the date of this announcement, the Board comprises two executive Directors, Mr. Zhang Qijun and Mr. Chen Jian and three independent non-executive Directors, Mr. Cheng Ho On, Mr. Kong Chun Wing and Mr. Wang Xiao Ning.