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瑞安建業有限公司*

SOCAM Development Limited
(Incorporated in Bermuda with limited liability)
(Stock Code: 983)

**ADDITIONAL ISSUANCE OF
USD80,000,000 6.25% SENIOR NOTES DUE 2020
(TO BE CONSOLIDATED AND FORM A SINGLE SERIES
WITH THE USD200,000,000 6.25% SENIOR NOTES
DUE 2020 ISSUED ON 8 MAY 2017)
(Stock Code: 4518)**

AND

**DISCLOSURE PURSUANT TO RULE 13.18 OF
THE LISTING RULES**

Reference is made to the announcement of the Company dated 27 April 2017 in relation to the Original Notes.

The Board is pleased to announce that on 5 June 2017, Hong Kong time, the Company entered into the Purchase Agreement with UBS and DBS in connection with the Additional Notes Issue.

The estimated net proceeds of the Additional Notes Issue, after deduction of fees, commissions and expenses, will amount to approximately USD79 million. The Group intends to use the net proceeds from the Additional Notes Issue to repay further bank borrowings of the Group, for working capital and for general corporate purposes. The Group may adjust the financing plans in response to changing market conditions and thus may reallocate the use of the net proceeds from the Additional Notes Issue.

The Original Notes are listed on the Stock Exchange. An application will be made to the Stock Exchange for permission to deal in the Additional Notes by way of debt issues to Professional Investors only. The listing and quotation of the Additional Notes on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes.

INTRODUCTION

Reference is made to the announcement of the Company dated 27 April 2017 in relation to the Original Notes.

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THE PURCHASE AGREEMENT

Date

5 June 2017

Parties to the Purchase Agreement

- (a) the Company as the issuer of the Additional Notes; and
- (b) UBS and DBS as the initial purchasers of the Additional Notes

The Additional Notes Issue is managed by UBS and DBS as the joint bookrunners and joint lead managers. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, UBS and DBS are independent third parties and are not connected persons of the Company.

The Additional Notes have not been, and will not be, registered under the U.S. Securities Act. The Additional Notes will be offered by UBS and DBS outside the United States in compliance with Regulation S under the U.S. Securities Act. None of the Additional Notes will be offered to the public in Hong Kong nor will be placed to any connected persons of the Company.

Principal terms of the Additional Notes

The principal terms of the Additional Notes are the same as the terms of the Original Notes as set forth in the announcement of the Company dated 27 April 2017, other than the following:

Additional Notes offered

Subject to certain conditions to completion, the Company will issue the Additional Notes in an aggregate principal amount of USD80,000,000 to be consolidated and form a single series with the Original Notes. The Additional Notes will mature on 8 May 2020, unless earlier redeemed pursuant to the terms thereof.

Offer price

The offer price of the Additional Notes will be 100% of the principal amount of the Additional Notes, plus accrued interest from (and including) 8 May 2017 to (but excluding) 12 June 2017.

Interest

The Additional Notes will bear interest from and including 8 May 2017 at the rate of 6.25% per annum, payable semi-annually in arrears on 8 May and 8 November of each year, commencing on 8 November 2017.

LETTER OF SUPPORT

SOCL, being the controlling shareholder of the Company, has issued to the Company a letter of support in relation to the Additional Notes, setting out, amongst others, the intention of SOCL to maintain directly or indirectly, control over more than 35% of the issued shares in the capital of the Company. The letter of support does not constitute or be deemed to constitute a direct or indirect guarantee by SOCL to any party of the payment of interest or principal under the Additional Notes by the Company.

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

Same as the terms of the Original Notes, not later than 30 days following a change of control, the Company will make an offer to repurchase all outstanding Additional Notes at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, at the date of repurchase. A change of control means the occurrence of one or more of the following events:

- (1) the merger, amalgamation or consolidation of the Company with or into another individual or entity or the merger or amalgamation of another individual or entity with or into the Company, or the sale of all or substantially all the assets of the Company to another individual or entity;
- (2) the Permitted Holders are the beneficial owners of less than 35% of the total voting power of the voting stock of the Company;
- (3) any person or group is or becomes the beneficial owner, directly or indirectly, of total voting power of the voting stock of the Company greater than such total voting power held beneficially by the Permitted Holders;
- (4) individuals who on the original issue date constituted the Board, together with any new Directors whose election by the Board was approved by a vote of at least two-thirds of the Directors then still in office who were either Directors or whose election was previously so approved, cease for any reason to constitute a majority of the Board then in office; or
- (5) the adoption of a plan relating to the liquidation or dissolution of the Company.

REASONS FOR THE ADDITIONAL NOTES ISSUE

The Group principally engages in property development and investment, asset management in the PRC and construction in Hong Kong and Macau.

The Additional Notes Issue is being undertaken to repay further bank borrowings of the Group, for working capital and for general corporate purposes. The Directors believe that the Additional Notes Issue will provide the Company with longer-term funding and further strengthen its working capital, while the Company is seeking new pathways to revitalising and rebuilding its asset management and property businesses.

PROPOSED USE OF PROCEEDS

The estimated net proceeds of the Additional Notes Issue, after deduction of fees, commissions and expenses, will amount to approximately USD79 million. The Group intends to use the net proceeds from the Additional Notes Issue to repay further bank borrowings of the Group, for working capital and for general corporate purposes. The Group may adjust the financing plans in response to changing market conditions and thus may reallocate the use of the net proceeds from the Additional Notes Issue.

LISTING

The Original Notes are listed on the Stock Exchange. An application will be made to the Stock Exchange for permission to deal in the Additional Notes by way of debt issues to Professional Investors only. The listing and quotation of the Additional Notes on the Stock Exchange is not to be taken as an indication of the merits of the Company or the Additional Notes.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Additional Notes”	the USD80,000,000 6.25% senior notes due 2020 to be issued by the Company (to be consolidated and form a single series with the Original Notes) subject to the terms and conditions of the Purchase Agreement
“Additional Notes Issue”	the issue of the Additional Notes by the Company
“Board”	the board of Directors
“Company”	SOCAM Development Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (Stock Code: 983)
“connected persons” and “controlling shareholder”	each has the meaning ascribed to it under the Listing Rules

“DBS”	DBS Bank Ltd., one of the initial purchasers, joint bookrunners and joint lead managers in respect of the offer and sale of the Additional Notes
“Director(s)”	director(s) of the Company
“Group”	collectively, the Company and its subsidiaries from time to time
“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
“Macau”	the Macao Special Administrative Region of the People’s Republic of China
“Original Notes”	the USD200,000,000 6.25% senior notes due 2020 issued by the Company on 8 May 2017 (Stock Code: 4518)
“Permitted Holders”	any or all of the following: <ul style="list-style-type: none"> (1) Mr. Lo Hong Sui, Vincent; (2) any other person directly or indirectly controlling, controlled by, or under direct or indirect common control with, Mr. Lo Hong Sui, Vincent; and (3) any person both the capital stock and the voting stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% by person specified in clauses (1) and (2).
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan)
“Professional Investors”	as defined in Chapter 37 of the Listing Rules and in the SFO

“Purchase Agreement”	the agreement dated 5 June 2017 entered into between the Company as the issuer and UBS and DBS as the initial purchasers in relation to the Additional Notes Issue
“SFO”	the Securities and Futures Ordinance (Cap 571) of the Laws of Hong Kong
“SOCL”	Shui On Company Limited, the controlling shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“UBS”	UBS AG Hong Kong Branch, one of the initial purchasers, joint bookrunners and joint lead managers in respect of the offer and sale of the Additional Notes
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“USD”	United States dollar, the lawful currency of the United States
“%”	per cent

By order of the Board
SOCAM Development Limited
Wong Yuet Leung, Frankie
Executive Director,
Chief Executive Officer
and Chief Financial Officer

Hong Kong, 5 June 2017

At the date of this announcement, the executive Directors are Mr. Lo Hong Sui, Vincent and Mr. Wong Yuet Leung, Frankie; the non-executive Director is Mr. Tsang Kwok Tai, Moses; and the independent non-executive Directors are Ms. Li Hoi Lun, Helen, Mr. Chan Kay Cheung and Mr. William Timothy Addison.

** For identification purpose only*

Website: www.socam.com