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## Datang Group Holdings Limited

### 大唐集團控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2117)**

## **INSIDE INFORMATION**

This announcement is made by Datang Group Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **INTRODUCTION**

Since the second half of 2021, real estate developers in China have been confronted with unprecedented difficulties with regard to liquidity and funding. The combination of unfavorable macroeconomic factors, series of adverse credit events and limited financing options within the industry have exacerbated the liquidity pressure on real estate developers, including the Group. These industry-wide challenges also weakened confidence among homebuyers and impeded overall demand for real estate sales in China. Many real estate developers have experienced a contraction in operating and financing cash flows.

### **UPDATE IN RELATION TO THE MAY 2023 NOTES**

As disclosed in the announcement of the Company dated 8 June 2022, the Company issued 12.5% senior notes due 2023 (ISIN: XS2483266115 and Common Code: 248326611) (the “**May 2023 Notes**”) in the aggregate principal amount of US\$283,950,000 listed on the Singapore Exchange Securities Trading Limited. Pursuant to the terms of the May 2023 Notes, the May 2023 Notes matured on 31 May 2023 and failure to pay such principal at maturity will constitute an event of default.

Due to the abovementioned unfavorable macroeconomic factors, real estate industry and financial environment, the Group's funds available for offshore debt payments are under pressure. Under the local government policies mandate, substantially most of the Group's cash onshore are under strict pre-sale cash escrow at designated bank accounts in order to guarantee completion of the properties currently under development. As a result, notwithstanding the Group's best efforts, as of the date of this announcement, the Company had not paid the outstanding principal amount of US\$283,950,000 and the accrued and unpaid interest thereon.

## **ENSURING STABLE BUSINESS OPERATIONS AND PROPERTY SALES**

The Group is working relentlessly to maintain stable business operations and accelerate property sales and collection of sales payments in order to protect the interests of all stakeholders. Further information on the operations of the Company can be found in the announcement of the Company dated 12 May 2023 in relation to its unaudited operational data as of 30 April 2023. Despite the strained market environment, the Group remains hopeful that the real estate market in China will gradually recover with Chinese government's introduction of policies promoting healthy recovery of the real estate industry.

## **A HOLISTIC SOLUTION TO THE COMPANY'S OFFSHORE INDEBTEDNESS AND THE ENGAGEMENT OF EXTERNAL ADVISORS**

In light of the existing challenges, the Company has concluded that it should immediately begin working towards a holistic solution to address the offshore debts situation for the benefit of all of its stakeholders.

The Company will engage in discussions with potential candidates to take on the role as financial advisor to assess the Group's capital structure and liquidity and explore options for a holistic solution to ease the current liquidity issue. The Company has also engaged Sidley Austin as its legal advisor in support of this effort.

The Company looks forward to engaging and working with the offshore creditors for their support in quest for a holistic solution to the offshore debts as a whole to get through the industry-wide difficulties together. The Company's offshore creditors are encouraged to reach out to the Company at [ir@dyna888.com](mailto:ir@dyna888.com).

The Company will maintain active communications with creditors and will update the market as soon as practicable on any material developments.

## GENERAL

The Company will make further announcement(s) as and when appropriate in accordance with the requirements of the Listing Rules, the SFO and/or other applicable laws and regulations.

**The implementation of any holistic solution to the offshore debt issue will be subject to many factors beyond the control of the Company. As there is no assurance that any holistic solution will be successfully implemented, holders of securities of the Company and other investors of the Company are (i) advised not to rely solely on the information contained in this announcement or any other announcements as may be issued by the Company from time to time; and (ii) reminded to consider the related risks and exercise caution when dealing in the securities of the Company. When in doubt, holders of securities and other investors of the Company are advised to seek professional advice from their own professional or financial advisors.**

On behalf of the Board  
**Datang Group Holdings Limited**  
**WU Di**  
*Chairman*

Hong Kong, 31 May 2023

*As at the date of this announcement, the executive directors of the Company are Mr. WU Di, Mr. HAO Shengchun, and Mr. TANG Guozhong, the non-executive director of the Company is Ms. CHEN Xiaoyun, and the independent non-executive directors of the Company are Mr. CHANG Eric Jackson, Ms. XIN Zhu and Mr. LOK Chiu Chan.*