



Press Release

THE 13 HOLDINGS LIMITED ANNOUNCES PROPOSED HK\$1,013 MILLION RIGHTS ISSUE

Hong Kong and Macau, 21 October, 2017 – THE 13 HOLDINGS LIMITED (the “Company”) has announced a proposed rights issue targeted to raise gross proceeds of HK\$1,013 million. The proposed rights issue is subject to the approval of the Company’s shareholders. In accordance with Hong Kong Stock Exchange requirements and subject to obtaining shareholders’ approval, the proposed rights issue has been fully underwritten.

In addition, the Company announced that it intends to seek up to HK\$740 million in Loan Notes through a best efforts placing. The Company expects that this together with the proceeds of the proposed rights issue and HK\$121 million due at the completion of its sale of the Company’s 51.76% interest in Paul Y. Engineering Group Limited (“PYE”), will allow it to target completion and opening of its hotel on Macau’s Cotai strip by the end of March 2018 subject to confirmation from key contractors, suppliers, and vendors once the Company’s financial position allows it to resume works.

Please click [here](#) for the Company’s full formal announcement. A summary of the key information contained therein is as follows:

- **Proposed Capital Reorganization.** The Company is proposing shareholders to approve a 1 for 10 consolidation of shares and a capital reduction whereby the paid-up capital per share will be reduced from HK\$20/share following consolidation (or HK\$2.00/share before consolidation) to HK\$0.20/share following consolidation.
- **Proposed Rights Issue.** The Company is proposing to offer shareholders 10 rights shares for every ordinary share held following consolidation. The proposed rights subscription price is HK\$0.11 before consolidation or HK\$1.10/share following consolidation. This would result in total gross proceeds from the rights offering of approximately HK\$1,013 million. Such proposed Rights Issue is subject to approval from shareholders.
- **Underwriting of the Proposed Rights Issue.** Under Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”), a company may not announce a proposed rights issue unless the entire Rights Issue is fully underwritten, thus providing high degree of certainty that the target proceeds will be raised subject to shareholder approval. Get Nice Securities Limited together with certain shareholders, who have provided irrevocable undertakings to take up their rights, have satisfied this requirement under the Listing Rules.
- **Bridge Loan.** Get Nice Securities has also entered into a Bridge Loan term sheet with the Company to provide a HK\$250 million bridge loan to finance the Company from the date of the announcement of the proposed Rights Issue to the closing of the rights issue. The Bridge Loan is expected to be repaid from proceeds of the proposed Rights Issue.
- **Placing of Loan Notes.** The Company has entered into a placing agreement with Opus Capital Limited to place up to HK\$740 million in Loan Notes on a best efforts basis.
- **Use of Proceeds.** Total proceeds from the proposed Rights Issue and Placing of Loan Notes of HK\$1,753 million plus an expected HK\$121 million as the balance of the sales price for the PYE Shares due upon completion, will be used for i) settling the remaining pre-opening expenses of **THE 13** Hotel, including costs related to decoration, furniture, fixtures, and equipment, operating supplies and equipment, and other hotel operation preparation costs; ii) debt servicing, and iii) supporting the general working capital of the Company.



- **Key Dates:**

- Despatch of Rights Issue Circular to Shareholders: 7 November 2017
- Special General Meeting: 24 November 2017
- Last day of trading on a cum rights basis: 27 November 2017
- Despatch of Rights Issue Prospectus: 6 December 2017
- Last day for acceptance of and payment for Rights Issue Shares: 20 December 2017
- Commencement of dealings in fully-paid Rights Issue Shares: 3 January 2018

About THE 13

THE 13 is the brand name under which **THE 13 HOLDINGS LIMITED**, a Hong Kong Stock listed company (code: 577), operates its hospitality business. **THE 13** is building an ultra-luxury hotel in Cotai in Macau. The hotel houses a collection of refined and remarkable luxury experiences, including: 200 palatial multi-level villas, an invitation-only L'Atelier offering couture, bespoke and limited edition products from selected major luxury brands, and the only branch of L'Ambroisie, the legendary Paris institution of Michelin 3-star *haute cuisine*. The hotel's thirty custom-made Rolls-Royce Phantoms, the world's largest such fleet, will provide guests limousine service, with chauffeurs specially trained in England.

For more information, please visit <http://www.the13.com>

THE 13 HOLDINGS LIMITED is also engaged in engineering, construction and property services spanning Hong Kong, Mainland China, Macau and other international markets, through its subsidiary, Paul Y. Engineering.

For more information, please visit <http://www.pyengineering.com>

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