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天譽置業(控股)有限公司* (已委任臨時清盤人)
SKYFAME REALTY (HOLDINGS) LIMITED (Provisional Liquidators Appointed)
(incorporated in Bermuda with limited liability)
(Stock Code: 00059)

ANNOUNCEMENT PURSUANT TO RULE 13.09 OF THE LISTING RULES IN RELATION TO ENTERING INTO THE RESTRUCTURING AGREEMENT

INTRODUCTION

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Reference is made to the announcement of Skyfame Realty (Holdings) Limited (Provisional Liquidators Appointed) (the “**Company**”) dated 17 December 2008 in relation to further extension of time for repayment of a bridging loan of HK\$220,000,000 (the “**Sky Honest Loan**”) beyond 29 January 2009. Reference is also made to the announcement of the Company dated 23 February 2010, among others, the receivers and managers appointed on the security assets in relation to the Sky Honest Loan. Unless otherwise stated, terms used herein shall have the same meanings as those in the Company’s announcement dated 23 February 2010.

The Company announces that on 9 June 2010, Sky Honest, Chain Up, the Company, Yaubond (the “**Skyfame Parties**”) and Lehman Brothers Commercial Corporation Asia Limited (In Liquidation) (as both the “**Facility Agent**” and the “**Security Agent**”) (collectively, the “**Parties**”) entered into an agreement (the “**Restructuring Agreement**”), pursuant to which the parties agreed to, among others, settle the Sky Honest Loan.

Key terms of the Restructuring Agreement

Payment obligations of the Company

The Company shall advance by way of loan an amount equal to HK\$114,400,000 (the “**First Instalment**”) to Sky Honest by no later than the earlier of (a) 4 July 2010 and (b) one business day of the transfer of a sum of US\$100,000,000 (or equivalent) from The Hongkong and Shanghai Banking Corporation Limited (“**HSBC**”) account to the trustee in respect of the Notes (the “**First Payment Date**”) and another amount equal to HK\$61,600,000 (the “**Second Instalment**”) by 4 October 2010 to Sky Honest. Sky Honest shall pay the same to the Facility Agent on the same payment date.

(1) The First Payment Date shall be extended to 4 October 2010 if (i) a validation order (the “**Validation Order**”) made or to be made by the High Court of Hong Kong approving and/

or validating the terms and conditions of and the entry by the Company into the Restructuring Agreement has been obtained, (ii) the Company has delivered to the Facility Agent that the Company has submitted all necessary applications to the State Administration of Foreign Exchange of the People's Republic of China (the "SAFE") and made sufficient progress to obtain SAFE approval (the "SAFE Evidence") for the advance of a loan to finance the payment of the First Instalment, and (iii) the Skyfame Parties are not in default of and are not in breach of the Restructuring Agreement. The long stop date for the First Instalment is 4 October 2010 (or such later date as the Parties agree);

- (2) In the event that the Company fails to pay the First Instalment on or before 4 August 2010, the Company shall pay an additional HK\$31,342 per day for the period between 5 August 2010 and 3 September 2010 (both days inclusive), and HK\$127,365 per day thereafter; or
- (3) In the event that the Company fails to pay the Second Instalment on or before 4 October 2010, the payment date of the Second Instalment (i.e. 4 October 2010) shall be extended to 4 January 2011 together with the payment of interest as calculated below if the Facility Agent has received SAFE Evidence and/or written documents or other evidence to demonstrate that the Company has obtained or in the process of obtaining funding (by way of borrowings or equity issuances) and has made sufficient progress to obtain such funding for the advance of the Second Instalment (together with the interest thereon) to the Facility Agent on or prior to 4 January 2011. The interest is calculated as follows:
 - a. if less than 1 month immediately following 4 October 2010, the Company shall pay a monthly rate of 3.334% on the Second Instalment from 4 October 2010 to the date of the advance in full of the Second Instalment; or
 - b. if more than 1 month immediately following 4 October 2010, an aggregate amount of (i) a monthly rate of 3.334% on the Second Instalment up to the date falling 1 month after 4 October 2010, i.e. HK\$2,053,744; and (ii) a monthly rate of 3.334% on HK\$105,600,000 from the date falling 1 month after 4 October 2010, i.e. 4 November 2010, to the date of the advance in full of the Second Instalment.

Validation order and standing instructions

The Company undertakes to procure and deliver to the Facility Agent, (i) within two business days of the date of the Restructuring Agreement, a copy of the application and supporting documents submitted to the High Court of Hong Kong in respect of the Company's application for the Validation Order and no later than two business days of its sealing, a sealed copy of the Validation Order; and (ii) on the date of this Restructuring Agreement, a copy of the irrevocable standing instructions given by the Company and Yue Tian to HSBC whereby HSBC is instructed to transfer the First Instalment from the HSBC account held in the name of Yue Tian (the "HSBC Account") to an account designated by the Facility Agent immediately after the sum of US\$100,000,000 is transferred from the HSBC Account to the Noteholders and HSBC's receipt of a written confirmation from the trustee/security trustee in respect of the Notes that the said sum has been received in full.

Release of the receivers

Upon receiving the First Instalment and a sum of HK\$2,000,000, being the costs and expenses as full settlement of all costs and expenses incurred by the lenders and agents in connection with the negotiations and entering into of the Restructuring Agreement as a result of Sky Honest's failure to pay the Sky Honest Loan which was due on 29 January 2009 (the "Cost"), the Facility Agent (acting on the instructions of the lenders of the Sky Honest Loan) shall within one business day of the receipt of such amount instruct the Security Agent to release and discharge the receivers and managers of all the assets and undertaking of Chain Up and Sky Honest and to instruct the nominee directors to resign as directors of Yaubond and Sky Honest.

Extension from Guangxi Guang Li Trading Company Limited ("Guangli")

The Company undertakes to procure and deliver to the Facility Agent, an undertaking from Guangli to provide a standstill until 4 January 2011.

Restoration

Upon receiving the First Instalment and the Cost, the Facility Agent (acting on the instructions of the lenders) agrees that the security interests charged for the Sky Honest Loan shall be restored to their position prior to the occurrence of events of default, which only include the release, discharge and/or removal of the Provisional Liquidators, release and discharge of the receivers, and the resignation of the nominee directors. In addition, the Facility Agent shall not object to the appointment of new directors nominated by the Company at its absolute discretion to the board of directors of any of Yaubond, Chain Up, Sky Honest and Huan Cheng.

Discharge of outstanding Sky Honest Loan and release of security interest

Upon the full payment of the First Instalment and the Second Instalment (together with the accrued interests, if any) to the Facility Agent, Sky Honest's obligations under the loan and security agreements in respect of the Sky Honest Loan will be discharged. Accordingly, the Facility Agent shall instruct the Security Agent to release all of the security charged for the Sky Honest Loan, and release and cancel the subordination constituted by the Restructuring Agreement.

Termination

Pursuant to the Restructuring Agreement, the Parties will have the right to terminate the Restructuring Agreement if the abovementioned obligations cannot be fulfilled or there is termination event as stipulated in the Restructuring Agreement.

REASONS FOR ENTERING INTO THE RESTRUCTURING AGREEMENT

On 7 June 2010, the Company entered into the Noteholders Agreement in relation to the settlement of the outstanding principal amount of the Notes of US\$192 million which enabled the Group to reduce its indebtedness. The successful implementation of the Restructuring Agreement can further result in haircuts in principal of as much as HK\$44 million and interests as accrued up to 31 December 2009 of HK\$50 million respectively, thus the indebtedness level of the Group will be further reduced, which will strengthen the financial position of the Group.

The board of directors of the Company believes that the settlement of the Sky Honest Loan is another important step for the Company to resume trading in the shares of the Company and will enable the Group to continue its property development business and is therefore of the view that the entering into the Restructuring Agreement is in the best interests of the Company, the Shareholders and creditors as a whole.

COURT HEARING

The Provisional Liquidators' applications for validation of the Restructuring Agreement under Section 182 of the Companies Ordinance and for sanctioning both the Restructuring Agreement and the Noteholders Agreement will be heard by the Court on 29 June 2010.

Trading in the shares of the Company has been suspended since 9:30 a.m. on 3 November 2009 at the request of the Company and will remain suspended until further notice.

For and on Behalf of
Skyfame Realty (Holdings) Limited
(Provisional Liquidators Appointed)
Stephen Liu Yiu Keung
David Yen Ching Wai
Joint and Several Provisional Liquidators

By Order of the Board
Skyfame Realty (Holdings) Limited
(Provisional Liquidators Appointed)
Yu Pan
Chairman

Hong Kong, 9 June 2010

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. Yu Pan (chairman), Mr. Lau Yat Tung, Derrick (deputy chairman) and Mr. Wong Lok; and four independent non-executive directors, namely Mr. Choy Shu Kwan, Mr. Cheng Wing Keung, Raymond, Ms. Chung Lai Fong and Mr. Jerry Wu.

* *for identification purposes only*