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Redsun Properties Group Limited

弘陽地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1996)

INSIDE INFORMATION SIGNIFICANT PROGRESS OF HOLISTIC SOLUTION FOR OFFSHORE DEBTS AND ENTRY INTO AND INVITATION TO ACCEDE TO RESTRUCTURING SUPPORT AGREEMENT

This announcement is made by Redsun Properties Group Limited (the “**Company**”, 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 (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

Reference is made to the announcement of the Company dated 11 August 2022 in relation to the appointment of external advisors and the Company's dedication in the seeking of a holistic offshore debt solution with a view to securing the long-term future of the Company for the benefit of all stakeholders. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the RSA (as defined below).

The Company has been actively working with its financial advisors, Haitong International Securities Company Limited, and its legal advisor, Linklaters, to address its current liquidity issues through a consensual and holistic arrangement with its stakeholders. The Company's objective is to ensure the long-term sustainable development of its business while safeguarding the interests of all stakeholders and preserving value.

1. OVERVIEW

The Company and its advisers have engaged in constructive dialogues with various stakeholders of the Company on the proposed restructuring of the Existing Debt. Significant progress has been made with a number of major beneficial owners of the Existing Debt in relation to the implementation of a holistic restructuring proposal in respect of the Company's offshore indebtedness (the "**Proposed Restructuring**").

Further to these discussions, the Company is pleased to announce that it has entered into a restructuring support agreement (the "**RSA**") with the relevant Consenting Creditors to support the implementation of the Proposed Restructuring. The Company invites other creditors owning the Existing Debt to support the implementation of the Proposed Restructuring by acceding to the RSA as soon as possible.

Key terms of the Proposed Restructuring are set out in the Term Sheet included as Schedule 7 to the RSA (the "**Term Sheet**"). The Term Sheet is attached hereto as Appendix I and the RSA (with the appropriate redactions) is available for download at <https://deals.is.kroll.com/rsun> ("**Transaction Portal**").

2. STRONG SUPPORT FOR THE PROPOSED RESTRUCTURING FROM CREDITORS REPRESENTING A SIGNIFICANT AMOUNT OF THE EXISTING DEBT

The Company is pleased to note that it has received strong support from the Existing Creditors for the Proposed Restructuring. As at the date of this announcement, creditors representing approximately 33% of the aggregate outstanding principal amount of the Existing Debt (beneficially held, as principal) have duly executed, and are bound by the terms of, the RSA.

In this regard, the Company intends to implement the Proposed Restructuring through a Scheme (as defined below), and is of the view that it is likely to swiftly receive the support of the requisite owners of the Existing Debt (i.e. creditors who represent a simple majority in number and 75% in value of those creditors voting at the scheme meeting convened in respect of the Scheme) in order to implement the Proposed Restructuring.

A scheme of arrangement is a statutory mechanism which allows the relevant court to sanction a “compromise or arrangement” which has been voted upon by the relevant classes of creditors and approved by the required majorities; it is not an insolvency procedure.

The Proposed Restructuring, when completed, will provide the Group with a more sustainable capital structure to deliver long-term value for all of their stakeholders.

The Company will continue to work with the Existing Creditors and their advisors on the detailed arrangements for the implementation of the Proposed Restructuring.

3. **RSA AND THE PROPOSED RESTRUCTURING**

The Company expects to commence the process of implementing the Proposed Restructuring on the terms set forth in the RSA as soon as possible.

The key terms of the Proposed Restructuring are set out in the Term Sheet. The Proposed Restructuring is expected to be principally implemented through a scheme of arrangement proposed to be effected in Hong Kong (the “**Scheme**”) and subject to the terms of the RSA, through schemes of arrangement in other relevant jurisdiction(s) and by way of recognition proceedings in other appropriate jurisdiction(s) for the purposes of obtaining cross-border recognition and relief.

Key Features of the Proposed Restructuring

The Proposed Restructuring will involve, among other things, the cancellation of the Existing Debt in return for each Scheme Creditor receiving a combination of the following instruments (the “**Scheme Consideration**”), as further described in the Term Sheet:

- (a) Instrument A: mandatory convertible bonds (“**Mandatory Convertible Bonds**”) to be converted into the Company’s ordinary shares within 12 months after its issuance. The aggregate principal amount of the Mandatory Convertible Bonds shall be USD42 million;
- (b) Instrument B: senior notes with a tenor of 9 years (“**Instrument B Senior Notes**”). The aggregate principal amount of the Instrument B Senior Notes shall be USD100 million;

- (c) Instrument C: senior notes with a tenor of 10 years (“**Instrument C Senior Notes**”). The aggregate principal amount of the Instrument C Senior Notes shall be USD120 million; and
- (d) Instrument D: subordinated perpetual securities which shall be non-callable for the first 10 years (“**Subordinated Perpetual Securities**” and, together with the Mandatory Convertible Bonds, the Instrument B Senior Notes and the Instrument C Senior Notes, the “**New Securities**”, with each instrument being the “**New Security**”). The aggregate principal amount of the Subordinated Perpetual Securities shall be USD100 million.

Each Scheme Creditor shall receive, in respect of its Scheme Creditor Claims, its Scheme Creditor’s Proportion of the aggregate principal amount of each instrument of the New Securities (each such Scheme Creditor’s right to receive such amount of the relevant New Security being such “**Scheme Creditor’s Entitlement**” in respect of such relevant instrument of the New Securities).

“**Scheme Creditor’s Proportion**” means, in respect of each Scheme Creditor, the proportion of its Scheme Creditor Claims to the aggregate Scheme Creditor Claims of all Scheme Creditors.

Further details in respect of the New Securities are set out in the Term Sheet.

Consummation of the Proposed Restructuring, including the issuance of the Scheme Consideration, is subject to regulatory approvals and/or the requisite approval by the Company’s shareholders (as applicable).

The Company will issue further announcement(s) to provide further updates in respect of the Proposed Restructuring, including the Scheme, as and when appropriate.

The RSA

Under the terms of the RSA, among other things,

- (a) the Company undertakes to, in favour of each Consenting Creditor, among other things:
 - (i) implement or otherwise give effect to the Restructuring, including the Scheme, in the manner envisaged by, and on materially the terms and conditions set out in, the RSA and the Term Sheet;

- (ii) use all reasonable endeavours to ensure that the Scheme Effective Date and the Restructuring Effective Date occur on or before the Longstop Date (being 31 December 2025 or such later date as provided in the RSA);
 - (iii) use all reasonable endeavours to obtain any necessary regulatory or statutory approvals required to permit or facilitate the Restructuring;
 - (iv) use all reasonable endeavours to obtain all corporate approvals necessary to implement the Restructuring in the manner envisaged by, and on the terms and conditions set out in, the RSA and the Term Sheet; and
 - (v) make all securities and other filings and announcements and publish all documents and make all submissions required in connection with the matters contemplated by the RSA and the Term Sheet as and when necessary to comply with all applicable laws.
- (b) each Consenting Creditor undertakes to, in favour of the Company, among other things:
- (i) vote and deliver within any applicable time periods any proxies, instructions, directions or consents in respect of all Existing Debt in which it holds a beneficial interest as principal, including (without limitation) to vote in favour of the Scheme in respect of (A) the Existing Public Notes Debt in which it holds a beneficial interest as principal at the Record Date and/or (B) its Existing Loans Debt in respect of which it is a lender of record at the Record Date, at the Scheme Meeting or any similar creditors' meeting held in respect of any parallel or similar process or arrangement in any relevant jurisdiction, for the purpose of implementing all or any part of the Restructuring;
 - (ii) (A) not take, commence or continue any Enforcement Action; (B) not direct or encourage any other person to take any Enforcement Action; (C) not vote or allow any proxy appointed by it to vote in favour of any Enforcement Action; and (D) vote or instruct any proxy appointed by it to vote against any Enforcement Action proposed to be taken, in each case where such Enforcement Action would delay the Scheme Effective Date, interfere with the implementation of the Restructuring and/or the Scheme or the transactions contemplated thereby; and
 - (iii) not challenge or object to or support any challenge or objection to any term of the Scheme or any other restructuring process which the Company proposes in order to implement the Restructuring.

The RSA will terminate automatically and immediately on the earliest to occur of any of the following:

- (a) the Court rejecting, in a final and unappealable decision, the Company's application to convene a Scheme Meeting and there being no reasonable prospect of the Restructuring being effected or the occurrence of the Restructuring Effective Date on or before the Longstop Date;
- (b) the Scheme not being finally approved by the requisite statutory majorities of Scheme Creditors at the Scheme Meeting (provided that the Scheme Meeting may be reasonably postponed or adjourned to a subsequent date in order to obtain the requisite approval) and there being no reasonable prospect of the Restructuring being effected or the occurrence of the Restructuring Effective Date on or before the Longstop Date;
- (c) in a final and unappealable decision, the Court not granting the Scheme Sanction Order at the Scheme Sanction Hearing and there being no reasonable prospect of the Restructuring being effected on or before the Longstop Date;
- (d) the Restructuring Effective Date; and
- (e) 11.59 p.m. Hong Kong time on the Longstop Date.

The RSA may also be terminated under other circumstances as set out in the RSA.

RSA Fee

Pursuant to and subject to the terms of the RSA, the Company shall pay or procure the payment of the following RSA Fees:

- (a) 50 per cent. of the Early RSA Fee to each Early Eligible Creditor in respect of its entitlement to the Early RSA Fee on or prior to the Restructuring Effective Date and the remaining Early RSA Fee to each Early Eligible Creditor on or prior to the date falling six months after the Restructuring Effective Date; and
- (b) 50 per cent. of the Base RSA Fee to each Base Eligible Creditor in respect of its entitlement to the Base RSA Fee on or prior to the Restructuring Effective Date and the remaining Base RSA Fee to each Base Eligible Creditor on or prior to the date falling six months after the Restructuring Effective Date.

“**Base RSA Fee**” means, in respect of a Base Eligible Creditor, an amount equal to 0.05% of the aggregate principal amount (and, for the avoidance of doubt, excluding any accrued but unpaid interest under the relevant Existing Debt) of its Base Eligible Restricted Debt i.e. Restricted Debt which were made subject to the RSA after the Early RSA Fee Deadline but on or prior to the Base RSA Fee Deadline (being 5.00 p.m. Hong Kong time on 21 March 2025 or such later date and time as the Company may elect in its sole discretion).

“**Early RSA Fee**” means, in respect of an Early Eligible Creditor, an amount equal to 0.2% of the aggregate principal amount (and, for the avoidance of doubt, excluding any accrued but unpaid interest under the relevant Existing Debt) of its Early Eligible Restricted Debt i.e. Restricted Debt which were made subject to the RSA on or prior to the Early RSA Fee Deadline (being 5.00 p.m. Hong Kong time on 21 February 2025 or such later date and time as the Company may elect in its sole discretion).

For the avoidance of doubt, an Eligible Creditor may, subject to the satisfaction of conditions set forth in the RSA and the Term Sheet, receive either the Early RSA Fee or the Base RSA Fee in respect of its relevant Existing Debt, but not both.

In order to be considered an Early Eligible Creditor and hence be eligible to receive the Early RSA Fee, a person must be a Consenting Creditor as at the Restructuring Effective Date and must:

- (a) hold Early Eligible Restricted Debt at the Record Date, and that such Early Eligible Restricted Debt comprises: (i) Early Eligible Restricted Debt held by such person as at the Early RSA Fee Deadline; and/or (ii) Early Eligible Restricted Debt which was acquired under a Transfer (or, if applicable, a series of Transfers) in accordance with Clause 10 (*Additional undertakings by Consenting Creditors: transfer and related*) of the RSA;
- (b) have voted the entire aggregate amount of the Existing Debt held by it at the Record Date in favour of the Scheme at the Scheme Meeting (whether in person or by proxy);
- (c) have not exercised its rights to terminate the RSA as at the Restructuring Effective Date; and
- (d) not be in breach of its obligations under the RSA as at the Restructuring Effective Date.

In order to be considered a Base Eligible Creditor and hence be eligible to receive the Base RSA Fee, a person must be a Consenting Creditor as at the Restructuring Effective Date and must:

- (a) hold Base Eligible Restricted Debt at the Record Date, and that such Base Eligible Restricted Debt comprises: (i) Base Eligible Restricted Debt held by such person as at the Base RSA Fee Deadline; and/or (ii) Base Eligible Restricted Debt which was acquired under a Transfer (or, if applicable, a series of Transfers) in accordance with Clause 10 (*Additional undertakings by Consenting Creditors: transfer and related*) of the RSA;
- (b) have voted the entire aggregate amount of the Existing Debt held by it at the Record Date in favour of the Scheme at the Scheme Meeting (whether in person or by proxy);
- (c) have not exercised its rights to terminate the RSA as at the Restructuring Effective Date; and
- (d) not be in breach of its obligations under the RSA as at the Restructuring Effective Date.

Invitation to accede to the RSA

In the interests of all parties involved in the Existing Debt, the Company will be grateful if the remaining Existing Creditors consider the terms of the RSA and enter into the same with the Company as soon as possible. Existing Creditors may accede to the RSA by delivering to the Information Agent (acting on behalf of the Company) a validly completed and executed Accession Letter including details on the amount of holdings together with, as applicable, its Evidence of Beneficial Holding, its Electronic Instruction Reference Number(s) or any other supporting documentation, via the Transaction Portal (at <https://deals.is.kroll.com/rsun>) in respect of all (but not less than all) of its Existing Debt.

The Information Agent is also available to answer any queries as regards this process (see contact details listed below).

4. CONTACT DETAILS

The Information Agent

Kroll Issuer Services Limited as the information agent (the “**Information Agent**”) will be responsible for, among others, receipt and processing of accession letters, transfer notices and overseeing evidence of holdings of the Consenting Creditors in respect of the Existing Debt. The RSA (including the Term Sheet) will be available for access on the Transaction Portal from 23 January 2025.

Transaction Portal: <https://deals.is.kroll.com/rsun>

The Information Agent can be contacted using the below details:

Address: Level 3, Three Pacific Place, 1 Queen's Road East, Wan Chai, Hong Kong

Tel: +852 2281 0114

Email: rsun@is.kroll.com

Request for Information

Any requests for information on the Proposed Restructuring can be directed to the Company's financial and legal advisors:

Restructuring Financial Advisor to the Company

Haitong International Securities Company Limited

Address: 28/F One International Finance Centre, No. 1 Harbour View Street, Central, Hong Kong

Tel: +852 2848 4333

Email: redsun.properties.lm@htisec.com

Legal Advisor to the Company

Linklaters

Address: 11/F, Alexandra House, Chater Road, Hong Kong

Tel: +852 2842 4888

Email: dlredsun@linklaters.com

5. 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 applicable laws and regulations.

The implementation of the Proposed Restructuring will be subject to many factors not within the control of the Company. As there is no assurance that the Proposed Restructuring 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) are 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.

By Order of the Board
Redsun Properties Group Limited
Zeng Huansha
Chairman

Hong Kong, 23 January 2025

As at the date of this announcement, the executive Directors are Mr. Zeng Huansha, Mr. Chen Bin and Ms. Hu Fang; and the independent non-executive Directors are Mr. Lee Kwok Tung Louis, Mr. Leung Yau Wan John and Mr. Au Yeung Po Fung.

**APPENDIX I
TERM SHEET**

Redsun Properties Group Limited (弘陽地產集團有限公司)
(the "Company" and together with its subsidiaries, the "Group")

Non-Binding Term Sheet

This term sheet ("**Term Sheet**") outlines the principal terms and conditions of the proposed restructuring (the "**Restructuring**") in respect of the Existing Debt (as defined below) incurred by the Company.

This Term Sheet is not intended to be a comprehensive list of all relevant terms and conditions of the Restructuring or any other transaction in relation to the Existing Debt. This Term Sheet is not legally binding and nothing in this Term Sheet shall amend any term of the Existing Debt Documents or constitute a waiver of any right of any party thereunder. The transactions contemplated by this Term Sheet are subject to, amongst other things, the execution of definitive documentation by the parties thereto (the "**Restructuring Documents**").

It is intended that this Term Sheet will be appended to a restructuring support agreement (the "**RSA**") containing support undertakings from certain holders of the Existing Debt to support the Restructuring.

The Term Sheet does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the Company and its management, as well as financial statements. No public offer of securities is to be made by the New Securities Obligors (as defined below) in the United States.

This Term Sheet is not a prospectus for the purposes of Regulation (EU) 2017/1129, including as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020.

| (A) Overview of the Restructuring | | |
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| 1 | Implementation | The Company plans to implement the Restructuring through a scheme of arrangement in Hong Kong (the " Scheme "), and, to the extent that the Company and its advisers deem necessary or advisable, parallel schemes of arrangement in other relevant jurisdiction(s) and/or recognition proceedings in other appropriate jurisdiction(s) for the purpose of obtaining cross-border recognition and relief. |
| 2 | Overview of the Existing Debt | The indebtedness subject to the Restructuring comprises (collectively, the " Existing Debt "): (a) USD250,000,000 10.50% senior notes due 2022 issued by the Company pursuant to an indenture dated 3 July 2019; (b) USD455,000,000 9.70% senior notes due 2023 issued by the Company pursuant to an indenture dated 16 January 2020; |

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| | | <p>(c) USD200,000,000 9.50% senior notes due 2023 issued by the Company pursuant to an indenture dated 20 September 2021;</p> <p>(d) USD210,000,000 7.30% senior notes due 2024 issued by the Company pursuant to an indenture dated 21 May 2021;</p> <p>(e) USD350,000,000 7.30% senior notes due 2025 issued by the Company pursuant to an indenture dated 13 January 2021; and</p> <p>(f) two facilities with the outstanding aggregate principal amount of USD135,000,000 owed to certain creditors of the Company.</p> <p>Notwithstanding the foregoing, the Company may include any additional financial indebtedness that is incurred by the Company as an issuer, borrower and/or a guarantor in the "Existing Debt" that the Company considers necessary or desirable to include in the Restructuring. To the extent that such additional financial indebtedness is included in the "Existing Debt", then the Company has the discretion to make the corresponding adjustments to the aggregate principal amount(s) of the New Securities issued as part of the Scheme Consideration (as defined below).</p> <p>In this Term Sheet, the relevant indentures, deeds and agreements governing the terms of the Existing Debt are collectively referred to as the "Existing Debt Documents".</p> |
| 3 | Overview of the Restructuring | <p>The Restructuring will involve:</p> <p>(a) the cancellation of the Existing Debt and the full release and discharge of the following parties under the Existing Debt in connection with actions, omissions or circumstances on or prior to the restructuring effective date (the "RED") and the negotiation, preparation, execution, sanction and/or implementation of the Restructuring, including:</p> <p>(i) The Company, Redsun Properties Investment (Holdings) Limited (弘陽地產投資(控股)有限公司) and Hong Yang Properties Investment Limited (弘陽地產投資有限公司) (together, the "Existing Debt Obligors") along with other members of the Group;</p> <p>(ii) the administrative parties in respect of the Existing Debt;</p> <p>(iii) the directors/managers/officers (or equivalent) of the Existing Debt Obligors (provided that the releases shall not apply to any claim or liability against any of these parties for breach of director's duties or malfeasance arising from or</p> |

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| | | <p>relating to actions which are not in connection with the negotiation, preparation, execution, sanction and/or implementation of the Restructuring); and</p> <p>(iv) the Existing Debt Obligors' advisers.</p> <p>(b) the issuance by the Company of the New Securities on the terms set out in Part (B) (<i>Overview of the Scheme</i>) and Part (C) (<i>New Securities</i>) below.</p> <p>The RED shall occur upon the satisfaction of all conditions precedent in relation thereto, including (without limitation):</p> <p>(a) the High Court of Hong Kong granting the order sanctioning the Scheme;</p> <p>(b) the satisfaction of all (or waiver, if any, of) the applicable conditions precedent to each Restructuring Document;</p> <p>(c) the obtaining of all relevant governmental, regulatory approvals or other consents required to implement the Restructuring;</p> <p>(d) the Company having made the first payment of the RSA Fee (as defined below) to the holders who are eligible to receive such RSA Fee in accordance with the terms of the RSA; and</p> <p>(e) the Company having settled all such professional fees and expenses associated with the Restructuring which the Company has agreed to pay pursuant to a signed fee letter or engagement letter and which has been duly invoiced to the Company prior to the RED.</p> <p>The latest date by which RED has to occur (i.e. the Longstop Date as defined under the RSA) shall be 31 December 2025, which may be extended pursuant to the terms of the RSA and, as applicable, the documents relating to the Scheme.</p> |
| 4 | RSA Fee | <p>Subject to and in accordance with the terms of the RSA, the Company agrees to pay the following fee(s) to creditors who sign or otherwise accede to the RSA on or prior to the applicable deadlines:</p> <p>(a) an early RSA fee ("Early RSA Fee") shall be paid to the relevant creditor in accordance with the terms of the RSA, in an amount equal to 0.2% of such creditor's Scheme Creditor Claims (as defined below) if such creditor signs up to the RSA by the Early RSA Fee Deadline (as defined in the RSA); and</p> <p>(b) a base RSA fee ("Base RSA Fee", collectively with Early RSA Fee, "RSA Fee") shall be paid to the relevant creditor in accordance with the terms of the RSA, in an amount equal to 0.05% of such creditor's Scheme Creditor Claims if such creditor signs up to the RSA by the Base RSA Fee Deadline (as defined in the RSA).</p> |

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| | | For the avoidance of doubt, an eligible creditor may, subject to the satisfaction of conditions set forth in the RSA and this Term Sheet, receive either the Early RSA Fee or the Base RSA Fee in respect of its relevant Existing Debt, but not both. Payment of 50% of the RSA Fee shall be made by the Company to each eligible creditor on or prior to the RED and payment of the remaining RSA Fee shall be made by the Company to each eligible creditor on or prior to the date falling six months after RED. |
| (B) Overview of the Scheme | | |
| 5 | Scheme Creditors | Subject to the finalised liquidation analysis, there will be one class of creditors comprising persons holding legal and/or beneficial interests as principal in the Existing Debt (the " Scheme Creditors ") voting in respect of the Scheme. |
| 6 | Record Date for Scheme | The date designated by the Company for the determination of the claims of Scheme Creditors for the purpose of voting at the meeting of the Scheme Creditors in respect of the Scheme (the " Record Date "). |
| 7 | Scheme Creditor Voting Claim | The aggregate of the following: (a) the outstanding principal amount of the Existing Debt as at the Record Date; and (b) all accrued and unpaid interest in respect of the outstanding principal under the Existing Debt up to but excluding the Record Date. |
| 8 | Scheme Creditor Claims | The outstanding principal amount of the Existing Debt as at the Record Date (" Scheme Creditor Claims "). For the avoidance of doubt, for the purpose of calculating Scheme Creditor Claims for the determination of the Scheme Creditors' entitlement to receive Scheme Consideration, any accrued and unpaid interest shall be excluded from the calculation, and the Scheme Creditor Claims of each Scheme Creditor shall comprise the outstanding principal amount of the Existing Debt held by such Scheme Creditor. |
| 9 | Scheme Consideration | The scheme consideration to be received by the Scheme Creditors shall be a combination of the following instruments (the " Scheme Consideration "): (a) Instrument A: mandatory convertible bonds (" Mandatory Convertible Bonds ") to be converted into the Company's ordinary shares within 12 months after its issuance. The aggregate principal amount of the Mandatory Convertible Bonds shall be USD42 million; (b) Instrument B: senior notes with a tenor of 9 years (" Instrument B Senior Notes "). The aggregate principal amount of the Instrument B Senior Notes shall be USD100 million; |

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| | | <p>(c) Instrument C: senior notes with a tenor of 10 years ("Instrument C Senior Notes"). The aggregate principal amount of the Instrument C Senior Notes shall be USD120 million; and</p> <p>(d) Instrument D: subordinated perpetual securities which shall be non-callable for the first 10 years ("Subordinated Perpetual Securities" and, together with the Mandatory Convertible Bonds, the Instrument B Senior Notes and the Instrument C Senior Notes, the "New Securities", with each instrument being the "New Security"). The aggregate principal amount of the Subordinated Perpetual Securities shall be USD100 million.</p> <p>Each Scheme Creditor shall receive, in respect of its Scheme Creditor Claims, its Scheme Creditor's Proportion of the aggregate principal amount of each instrument of the New Securities (each such Scheme Creditor's right to receive such amount of the relevant New Security being such "Scheme Creditor's Entitlement" in respect of such relevant instrument of the New Securities).</p> <p>"Scheme Creditor's Proportion" means, in respect of each Scheme Creditor, the proportion of its Scheme Creditor Claims to the aggregate Scheme Creditor Claims of all Scheme Creditors.</p> |
| (C) New Securities | | |
| (I) Instrument A (Mandatory Convertible Bonds) | | |
| 10 | Issue date | RED |
| 11 | Form, denomination and registration | <p>The Mandatory Convertible Bonds will be issued only in fully registered form and are expected to be initially represented by one or more global certificates (including Regulation S global certificate, Rule 144A global certificate and IAI global certificate, to the extent applicable).</p> <p>The minimum denomination of the Mandatory Convertible Bonds will be USD1,000 and integral multiples of USD1 in excess thereof. Any amount of Scheme Creditor's Entitlement in respect of which Mandatory Convertible Bonds would have been issued save that it is insufficient to achieve the minimum denomination shall not receive any consideration.</p> |
| 12 | Listing | SGX-ST |
| 13 | Governing law and jurisdiction | Hong Kong law and the courts of Hong Kong shall have exclusive jurisdiction |
| 14 | Original issue amount | USD42,000,000 |
| 15 | Maturity date | First anniversary of its issue date |

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| 16 | Conversion right | Voluntarily convertible at any time from the RED up to and including 10 business days prior to the maturity date. All outstanding Mandatory Convertible Bonds shall be converted into ordinary shares of the Company on the maturity date. |
| 17 | Conversion Price | HKD0.5 per share where USD1 in principal amount of Mandatory Convertible Bonds shall be converted into Hong Kong dollars at the fixed rate of USD1 = HKD7.8 (the " Conversion Price "). |
| 18 | Interest | Non-interest bearing |
| 19 | Events of default | To be specified in the Restructuring Documents, but any default and/or event of default arising under or in connection with any onshore financial indebtedness of the Group shall be excluded from the cross-default provisions under the terms of the Mandatory Convertible Bonds. |
| 20 | Covenants | Customary covenants to be specified in the Restructuring Documents. |
| 21 | Amendments and waivers | To substantially follow Instrument B Senior Notes below. |
| (II) Instrument B (Instrument B Senior Notes) | | |
| 22 | Issue date | RED |
| 23 | Form, denomination and registration | The Instrument B Senior Notes will be issued only in fully registered form and are expected to be initially represented by one or more global notes (including Regulation S global note, Rule 144A global note and IAI global note, to the extent applicable). The minimum denomination of the Instrument B Senior Notes will be USD1,000 and integral multiples of USD1 in excess thereof. Any amount of Scheme Creditor's Entitlement in respect of which Instrument B Senior Notes would have been issued save that it is insufficient to achieve the minimum denomination shall not receive any consideration. |
| 24 | Listing | SGX-ST |
| 25 | Governing law and jurisdiction | U.S. federal and New York state courts located in the Borough of Manhattan, The City of New York are to have non-exclusive jurisdiction |
| 26 | Original issue amount | USD100,000,000 |
| 27 | Maturity date | Ninth anniversary following the issue date |
| 28 | Interest | (a) Non-interest bearing for the first three years. (b) 1.0% per annum during the fourth year, payable semi-annually. |

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| | | <p>(c) 2.0% per annum from the fifth year, payable semi-annually.</p> <p>(d) The Company may choose to pay the whole or any part of the interest either in cash or in kind ("PIK").</p> |
| 29 | Events of default | To be specified in the Restructuring Documents, but any default and/or event of default arising under or in connection with any onshore financial indebtedness of the Group shall be excluded from the cross-default provisions under the terms of the Instrument B Senior Notes. |
| 30 | Covenants | Customary covenants to be specified in the Restructuring Documents. |
| 31 | Amendments and waivers | <p>Where any amendment, modification or waiver under the existing New York law governed senior notes of the Company previously required the consent of each affected holder, any such amendment, modification or waiver shall henceforth only require the consent of the holders of not less than 66⅔% in aggregate principal amount of the then outstanding Instrument B Senior Notes.</p> <p>Save as set out above, all other amendments, modifications or waivers under the Instrument B Senior Notes shall only require consent of holders of not less than a majority in aggregate principal amount of the then outstanding Instrument B Senior Notes.</p> |
| (III) Instrument C (Instrument C Senior Notes) | | |
| 32 | Issue date | RED |
| 33 | Form, denomination and registration | <p>The Instrument C Senior Notes will be issued only in fully registered form and are expected to be initially represented by one or more global notes (including Regulation S global note, Rule 144A global note and IAI global note, to the extent applicable).</p> <p>The minimum denomination of the Instrument C Senior Notes will be USD1,000 and integral multiples of USD1 in excess thereof. Any amount of Scheme Creditor's Entitlement in respect of which Instrument C Senior Notes would have been issued save that it is insufficient to achieve the minimum denomination shall not receive any consideration.</p> |
| 34 | Listing | SGX-ST |
| 35 | Governing law and jurisdiction | U.S. federal and New York state courts located in the Borough of Manhattan, The City of New York are to have non-exclusive jurisdiction |
| 36 | Original issue amount | USD120,000,000 |
| 37 | Maturity date | Tenth anniversary following the issue date |

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| 38 | Interest | <p>(a) Non-interest bearing for the first three years.</p> <p>(b) 1.5% per annum during the fourth year, payable semi-annually.</p> <p>(c) 2.5% per annum from the fifth year, payable semi-annually.</p> <p>(d) The Company may choose to pay the whole or any part of the interest either in cash or in kind ("PIK").</p> |
| 39 | Events of default | To be specified in the Restructuring Documents, but any default and/or event of default arising under or in connection with any onshore financial indebtedness of the Group shall be excluded from the cross-default provisions under the terms of the Instrument C Senior Notes. |
| 40 | Covenants | Customary covenants to be specified in the Restructuring Documents. |
| 41 | Amendments and waivers | To substantially follow Instrument B Senior Notes. |
| (IV) Instrument D (Subordinated Perpetual Securities) | | |
| 42 | Issue date | RED |
| 43 | Form, denomination and registration | <p>The Subordinated Perpetual Securities will be issued only in fully registered form and are expected to be initially represented by one or more global notes (including Regulation S global note, Rule 144A global note and IAI global note, to the extent applicable).</p> <p>The minimum denomination of the Subordinated Perpetual Securities will be USD1,000 and integral multiples of USD1 in excess thereof. Any amount of Scheme Creditor's Entitlement in respect of which Subordinated Perpetual Securities would have been issued save that it is insufficient to achieve the minimum denomination shall not receive any consideration.</p> |
| 44 | Listing | SGX-ST |
| 45 | Governing law and jurisdiction | Hong Kong law and the courts of Hong Kong shall have exclusive jurisdiction |
| 46 | Original issue amount | USD100,000,000 |
| 47 | Maturity date | No maturity date. |
| 48 | Ranking | The Subordinated Perpetual Securities shall be subordinated to the general and unsubordinated obligations of the Company in liquidation. |
| 49 | Distribution | <p>(a) For the first ten years, no distribution.</p> <p>(b) For the eleventh year, the distribution rate is 1% per annum.</p> |

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| | | <p>(c) For the twelfth year, the distribution rate is 2% per annum.</p> <p>(d) For the thirteenth year, the distribution rate is 3% per annum.</p> <p>(e) For the fourteenth year, the distribution rate is 4% per annum.</p> <p>(f) from the fifteenth year and onwards, the distribution rate is 5% per annum.</p> <p>The Company may choose to defer distribution and if the Company chooses to do so for any distribution period, the distribution for such period shall be automatically toggled and become principal of the Subordinated Perpetual Securities and accrue distribution at the same rate as above.</p> |
| 50 | Amendments and waivers | To substantially follow Instrument B Senior Notes. |
| (V) | Terms Common to the New Securities | |
| 51 | Guarantees | The New Securities shall have the benefit of the guarantees to be provided by the Existing Debt Obligors other than the Company (in their capacity as guarantors of the New Securities and together with the Company, the " New Securities Obligors "). |