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SHINSUN 祥生

Shinsun Holdings (Group) Co., Ltd.

祥生控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 02599)

**US\$200,000,000 12% SENIOR NOTES DUE 2023
(THE “2023 SENIOR NOTES”, STOCK CODE: 40808)**

INSIDE INFORMATION

This announcement is made by Shinsun Holdings (Group) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09, 13.19, 37.47A, 37.47B and 37.47E of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is made to the two announcements of the Company dated 21 March 2022, in relation to the 2023 Senior Notes (the “**Announcements**”). Capitalised terms used herein shall have the same meaning as those defined in the Announcements unless otherwise defined.

Pursuant to the indenture of the 2023 Senior Notes, if an event of default has occurred and is continuing, holders of at least 25% in aggregate principal amount of the relevant senior notes then outstanding may, by written notice to the Company and to the relevant trustee, declare the principal of, premium, if any, and accrued and unpaid interest on the relevant senior notes to be immediately due and payable.

On 1 April 2022, at the written request of holders of the 2023 Senior Notes, the trustee of the 2023 Senior Notes sent the Company a notice of acceleration (the “**2023 Senior Notes Acceleration Notice**”) by virtue of the Non-Payment, and thus the principal of, premium, if any, and accrued and unpaid interest on the 2023 Senior Notes has become immediately due and payable pursuant to the indenture of the 2023 Senior Notes.

In light of the 2023 Senior Notes Acceleration Notice constitutes a triggering event under (i) the indenture of the Company's 10.5% Senior Notes Due 2022 (the "**2022 Senior Notes**"); (ii) the trust deed of Xiang Sheng Overseas Limited's 13.0% Senior Notes Due 2023 (the "**Series A January 2023 Senior Notes**") guaranteed by the Company; and (iii) the indenture of the Company's 13.0% Senior Notes Due 2023 (the "**Series B January 2023 Senior Notes**"), relevant bondholders have (or may have) the right to demand payment of the indebtedness pursuant to the indentures of the 2022 Senior Notes and Series B January 2023 Senior Notes and the trust deed of the Series A January 2023 Senior Notes. As at the date of this announcement, the Company has not received any notice from the holders of at least 25% in aggregate principal amount of the 2022 Senior Notes, the Series A January 2023 Senior Notes or the Series B January 2023 Senior Notes. As such, the 2022 Senior Notes, the Series A January 2023 Senior Notes and the Series B January 2023 Senior Notes are not immediately due and payable. Following the Non-Payment, the Company has been in active dialogue with bondholders, in an effort to formulate a consensual solution to resolve the current liquidity issue. Further announcement(s) will be made by the Company in relation to the progress of an overall plan.

Trading of the 2023 Senior Notes on the Stock Exchange has been suspended with effect from 9:00 a.m. on 22 March 2022 and will remain suspended until further notice.

Shareholders of the Company and other investors are reminded to consider the related risks and exercise caution when dealing in the securities of the Company.

By Order of the Board
Shinsun Holdings (Group) Co., Ltd.
Chen Guoxiang
Chairman

Hong Kong, 4 April 2022

As of the date of this announcement, the Board comprises Mr. Chen Guoxiang, Mr. Chen Hongni, Mr. Han Bo and Mr. Zhao Leiyi as executive directors; and Mr. Ding Jiangang, Mr. Ma Hongman and Mr. Hung Yuk Miu as independent non-executive directors.