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SHIMAO SERVICES HOLDINGS LIMITED
世茂服務控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 873)

**CONSENT SOLICITATION
IN RELATION TO THE HK\$3,110,000,000 2.25 PER CENT.
GUARANTEED CONVERTIBLE BONDS DUE 2022
ISSUED BY A SUBSIDIARY OF THE COMPANY**

BACKGROUND AND PURPOSE OF THE CONSENT SOLICITATION

Reference is made to the announcements of Shimao Services Holdings Limited (the “**Company**”) dated 20 October 2021 and 2 November 2021 in relation to the HK\$3,110,000,000 2.25% guaranteed convertible bonds due 2022 (ISIN: XS2401670349 / Common Code: 240167034) (the “**Bonds**”) issued by Crystal Idea Group Limited (the “**Issuer**”), a wholly-owned subsidiary of the Company. The Bonds are guaranteed by the Company and are listed on the Singapore Exchange Securities Trading Limited.

Under the terms and conditions of the Bonds, following occurrence of a Relevant Event (as defined therein), Bondholders have the right to require the Issuer to redeem all or some only of their Bonds, and a “**Relevant Event**” would occur where the shares of the Company have been suspended for trading for a period of equal to or exceeding 30 consecutive trading days on the Stock Exchange.

Under the Rules Governing the Listing of Securities on the Stock Exchange, the Company is required to publish the audited annual results of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2021 (“**2021 Audited Annual Results**”) no later than 31 March 2022. However, the audit process was initially affected by (i) certain management and employees of the Group being placed under quarantine in the latest wave of COVID-19 and (ii) a delay in obtaining certain external confirmations from third parties for the audit. Subsequently, due to COVID-19 and related control measures in the PRC, in particular in Shanghai where the Company’s headquarters are located, the audit process was further delayed. As a result of such delays in the publication of the 2021 Audited Annual Results, trading in the shares of the Company on the Stock Exchange was suspended on 3 May 2022. The trading in the shares of the Company was subsequently resumed on 23 June 2022 following the publication of the 2021 Audited Annual Results on 22 June 2022. As a result, the shares of the Company were suspended for trading for a period of 35 consecutive trading days. A Relevant Event has occurred under the terms and conditions of the Bonds given the suspension of trading in the shares exceeded 30 consecutive trading days. Such Relevant Event has triggered the right of the Bondholders to require redemption of the Bonds.

As of the date of this announcement, the Company’s only outstanding offshore debt is the Bonds and there is no default or event of default under the Bonds.

As a result of this unexpected incident resulting in a Relevant Event, the Issuer is conducting the Consent Solicitation to seek waivers of its redemption obligations triggered under the Bonds and to amend the Issuer’s optional redemption right under the Bonds. As of the date of this announcement, the Issuer intends to repay the principal amount of the Bonds together with any accrued and unpaid interest on the maturity date as scheduled.

CONSENT SOLICITATION

The Issuer is inviting the Beneficial Owners of the Bonds as of the Record Date to consider and, if thought fit, to approve by way of an extraordinary resolution (the “**Extraordinary Resolution**”) at a meeting of the holders of the Bonds (the “**Meeting**”), proposed waiver in respect to the Bonds as set forth in the Consent Solicitation Memorandum (the “**Proposed Waiver**”) and proposed amendments to the Bonds as set forth in the Consent Solicitation Memorandum (the “**Proposed Amendments**” and, together with the Proposed Waiver, the “**Proposed Waiver and Amendments**”), and to be entered into by and among the Issuer, the Company and the Trustee of a supplemental trust deed in relation to the Bonds giving effect to the Proposed Waiver and Amendments (the “**Supplemental Trust Deed**”), by submitting a consent instruction in respect of all or some of their Bonds (the “**Consent Instruction**”) or, as applicable, an Ineligible Beneficial Owner Instruction pursuant to the instructions of the Consent Solicitation set out in the Consent Solicitation Memorandum. Only Bondholders as of the Record Date are entitled to receive Notice of Meeting, and can submit Consent Instruction or Ineligible Beneficial Owner Instruction (as the case maybe) with respect to the

Proposed Waiver and Amendments. As of the date of the Consent Solicitation Memorandum, HK\$3,110,000,000 in aggregate principal amount of the Bonds are outstanding.

By validly delivering Consent Instruction, Eligible Beneficial Owners will be deemed to have given consent in the Consent Solicitation. A consenting Eligible Beneficial Owner must consent to the Proposed Waiver and Amendments as an entirety and may not consent selectively with respect to certain aspect of the Proposed Waiver and Amendments. All Consent Instructions delivered and accepted will be deemed to be Consent Instructions to the Proposed Waiver and Amendments as a whole.

Ineligible Beneficial Owners wishing to vote in respect of the Extraordinary Resolution may submit an Ineligible Beneficial Owner Instruction by the Expiration Time. However, the participation by Ineligible Beneficial Owners will not be considered in determining the quorum of the Meeting and whether or not the Extraordinary Resolution is approved. Only participation by Eligible Beneficial Owners will be counted in determining the quorum. Any participation by Ineligible Beneficial Owners will be disregarded in determining the quorum. The Extraordinary Resolution will only be approved if the requisite consent threshold is met by votes cast by Eligible Beneficial Owners only, irrespective of any participation and voting by Ineligible Beneficial Owners.

The Proposed Waiver and Amendments will become effective upon execution of and delivery to the Trustee the Supplemental Trust Deed. If the Proposed Waiver and Amendments are accepted and effected, all the outstanding Bonds will be subject to the Proposed Waiver and Amendments.

Consent Fee and Ineligible Beneficial Owner Payment

As described in the Consent Solicitation Memorandum, subject to the passing of the Extraordinary Resolution and the execution of the Supplemental Trust Deed, if valid Consent Instructions or, as applicable, Ineligible Beneficial Owner Instructions in favour of the Extraordinary Resolution are received at or prior to the Expiration Time, a Bondholder who has delivered such valid Consent Instructions or, as applicable, Ineligible Beneficial Owner Instructions shall be eligible to receive the Consent Fee or, as applicable, the Ineligible Beneficial Owner Payment, as described, and in the amount set out, in the Consent Solicitation Memorandum. Only Bondholders who validly deliver Electronic Voting Instructions in the manner contemplated in the Consent Solicitation Memorandum will be eligible to receive such fees.

The Bondholders will not be eligible for the Consent Fee or, as applicable, Ineligible Beneficial Owner Payment if they (i) appoint a proxy other than the Tabulation and Information Agent (or its nominee) to attend and vote at the Meeting; (ii) attend the Meeting (or, as the case may be, adjourned Meeting) in person; (iii) do not attend or are not represented at the Meeting (or, as the case may be, adjourned Meeting); or (iv) do not submit a Consent Instruction or, as applicable, Ineligible Beneficial Owner Instruction in favour of the Proposals.

Conditions to the Consent Solicitation

The obligation of the Issuer to accept Consent Instructions and Ineligible Beneficial Owner Instructions and pay the Consent Fee and the Ineligible Beneficial Owner Payment with respect to the Bonds is conditional upon, among others:

- Approval of the Proposed Waiver and Amendments by the requisite majority of the Bondholders; and
- Execution of the Supplemental Trust Deed by each of the parties contemplated therein as applicable.

The Issuer may, in its sole discretion, waive any of the conditions of, in whole or in part, at any time and from time to time or otherwise amend, the Consent Solicitation and Ineligible Beneficial Owner Instructions at any time prior to the acceptance of Consent Instructions. No Consent Fee or Ineligible Beneficial Owner Payment will be paid if (1) the Consent Solicitation is terminated or (2) any of the conditions is not satisfied (or waived) for any reason.

Amendment, Extension or Termination of the Consent Solicitation

The Issuer may, subject to applicable laws, at any time prior to the Expiration Time, amend the Expiration Time and/or increase the Consent Fee. The Issuer may also, subject to applicable laws, the Meeting Provisions and as provided in the Consent Solicitation Memorandum, amend, decline and/or waive any condition of the Consent Solicitation, at its sole discretion. In addition, the Issuer may, subject to applicable laws and the Meeting Provisions, reopen the Consent Solicitation following the Expiration Time, for such period(s) as it may in its discretion decide. The Issuer will notify the Bondholders and Beneficial Owners of any such amendment, extension, reopening, waiver of any condition of, or termination of, the Consent Solicitation as soon as is reasonably practicable thereafter in accordance with the Consent Solicitation Memorandum.

The Issuer confirms that it will not reduce the amount of the Consent Fee following announcement of the Consent Solicitation.

The Issuer may, subject to the Meeting Provisions and the Trust Deed, at any time prior to the Expiration Time, make a new invitation to Bondholders to vote in respect of the Extraordinary Resolution on such terms as it may determine. In such an event, (i) the Issuer will notify the Bondholders and Eligible Beneficial Owners of any such new invitation as soon as is reasonably practicable thereafter in accordance with the Consent Solicitation Memorandum; (ii) Bondholders will need to provide new Consent Instructions or, as applicable, Ineligible Beneficial Owner Instructions in relation to such new consent process; and (iii) any Consent Instructions or Ineligible Beneficial Owner Instructions provided in relation to the Consent Solicitation will lapse.

SUMMARY TIMETABLE

The following summarizes the anticipated timetable for the Consent Solicitation. All references to times are to Central European Time unless otherwise stated.

Date	Event
5 July 2022	<p><i>Record Date:</i></p> <p>The date fixed by the Issuer for the determination of Beneficial Owners of the Bonds entitled to submit Consent Instructions, or, as applicable, Ineligible Beneficial Owners Instructions pursuant to the Consent Solicitation Memorandum.</p>
6 July 2022	<p><i>Announcement of the Consent Solicitation:</i></p> <p>The Notice of Meeting published and delivered to the Clearing Systems for communication to Direct Participants. An announcement regarding the Consent Solicitation published on the SGX-ST and the Stock Exchange.</p> <p>Consent Solicitation Memorandum to be made available to Bondholders on the Consent Website.</p>
5:00 p.m. on 27 July 2022	<p><i>Expiration Time:</i></p> <p>Deadline for receipt by the Tabulation and Information Agent of (i) valid Consent Instructions from Eligible Beneficial Owners to be eligible for the Consent Fee and (ii) Ineligible Beneficial Owner Instructions from Ineligible Beneficial Owners to be eligible for the Ineligible Beneficial Owner Payment.</p> <p>Such Consent Instructions must be in favour of the Extraordinary Resolution in order for such Beneficial Owners to be eligible for the Consent Fee. Such Ineligible Beneficial Owner Instructions must be in favour of the Extraordinary Resolution in order for such Ineligible Beneficial Owners to be eligible for the Ineligible Beneficial Owner Payment.</p> <p>This will also be the deadline for making any other arrangements to attend or be represented to vote at the Meeting. Beneficial Owners of Bonds making such other arrangements will not be eligible to receive the Consent Fee or Ineligible Beneficial Owner Payment.</p>

Date	Event
10:00 a.m. (Hong Kong time) on 1 August 2022	<p><i>The Meeting:</i></p> <p>The Meeting to be held at the offices of Sidley Austin at 39/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong (or by audio or video conference call if the Issuer elects to hold any Virtual Meeting).</p>
2 August 2022	<p><i>Results Date:</i></p> <p>Date on which the notice of the results of the Meeting are to be delivered to Euroclear and Clearstream for distribution to the relevant Bondholders</p>
3 August 2022	<p><i>Execution Date:</i></p> <p>Date on which the Supplemental Trust Deed is expected to be executed and relevant Bondholders notified of such execution.</p>
As soon as practicable (currently expected to be on or about 4 August 2022) after the execution of the Supplemental Trust Deed, as determined by the Issuer.	<p><i>Payment Date:</i></p> <p>Date on which the Issuer is expected to pay the Consent Fee and the Ineligible Beneficial Owner Payment.</p> <p>The Proposed Waiver and Amendments will become effective on the Execution Date upon the execution of the Supplemental Trust Deed (following the approval of the Extraordinary Resolution), but shall only become operative upon the payment of the Consent Fee and the Ineligible Beneficial Owner Payment.</p>

OTHER INFORMATION

The Issuer has appointed Kroll Issuer Services Limited as Tabulation and Information Agent with respect to the Consent Solicitation. The Consent Solicitation Memorandum, this announcement and all documents related to the Consent Solicitation can be found on the Consent Website: <https://deals.is.kroll.com/shimaoservices>. Requests for copies of the Consent Solicitation Memorandum and their related documents may be directed to the Tabulation and Information Agent at the address and telephone number as set forth below. The contact information of Kroll Issuer Services Limited is set out as follows:

Kroll Issuer Services Limited

In London

The Shard
32 London Bridge Street
London SE1 9SG
United Kingdom

In Hong Kong

3rd Floor, Three Pacific Place
1 Queen's Road East
Admiralty
Hong Kong

Email: shimaoservices@is.kroll.com
Consent Website: <https://deals.is.kroll.com/shimaoservices>
Attention: Mu-yen Lo/Harry Ringrose

Unless stated otherwise, announcements in connection with the Consent Solicitation will be made through the website of the SGX-ST and the Consent Website, and/or the delivery of notices to the Clearing Systems for communication to Direct Participants. Copies of the announcements and notices can also be obtained from the Consent Website. Significant delays may be experienced where notices are delivered to the Clearing Systems, and Bondholders are urged to contact the Tabulation and Information Agent for the relevant announcements during the course of the Consent Solicitation.

The terms of the Consent Solicitation are more fully described in the Consent Solicitation Memorandum, which sets out further details regarding the consent procedures and the conditions of the Consent Solicitation.

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, ANY SECURITIES.

The Consent Solicitation is not being made to (nor will the delivery of Consents be accepted from or on behalf of) Bondholders in any jurisdiction where the making or acceptance of the Consent Solicitation would not comply with the laws of such jurisdiction. If the Issuer becomes aware of any jurisdiction in which the making of the Consent Solicitation or the delivery of Consents would not be in compliance with applicable laws, the Issuer may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort, if any, the Issuer cannot comply with any such law, and Consent Solicitation will not be made to (nor will tenders or Consents be accepted from or on behalf of) any Bondholders residing in such jurisdiction.

The Consent Solicitation may or may not materialise. In addition, the conditions of the Consent Solicitations may or may not be waived or satisfied.

If any Bondholder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including with regard to any tax consequences, from its stockbroker, bank manager, solicitor, attorney, tax adviser or other independent financial or legal adviser. None of the Issuer, the Company, the Tabulation and Information Agent or any of their respective directors, officers, employees, agents or affiliates makes any recommendation as to whether Bondholders should tender their Bonds and/or consent to the amendments to the provisions relating to the Bonds pursuant to the Consent Solicitation.

DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following respective meanings:

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| “Beneficial Owner” | Unless the context otherwise requires, references to “Beneficial Owner” in respect of the Bonds include (i) each person who is shown in the records of a Clearing System as a holder of a Bond (also referred to as “Direct Participants” and each a “Direct Participant”) (except that one Clearing System shall not be treated as the holder of the Bonds held in the account of another Clearing System when holding on behalf of the first Clearing System’s accountholders) and (ii) each person holding a Bond through a broker dealer, bank, custodian, trust company or other nominee who in turn holds the Bond through a Direct Participant in a Clearing System; |
| “Bondholders” | The holders of the Bonds, including, where the context so permits or requires, Direct Participants and Beneficial Owners; |

“Bonds”	The Issuer’s 2.25% Guaranteed Convertible Bonds due 2022 (ISIN: XS2401670349/Common Code: 240167034);
“Clearing System”	Euroclear or Clearstream;
“Clearstream”	Clearstream Banking S.A.;
“Company”	Shimao Services Holdings Limited;
“Consent Fee”	If valid Consent Instructions in favour of the Extraordinary Resolution are received at or prior to the Expiration Time, subject to the passing of such Extraordinary Resolution and the execution of the Supplemental Trust Deed, a cash payment of HK\$2,500 per HK\$1,000,000 principal amount of the Bonds by the Issuer to each Eligible Beneficial Owner whose valid Consent Instruction in favour of the Extraordinary Resolution is received by the Tabulation and Information Agent no later than the Expiration Time;
“Consent Instruction”	the electronic voting instruction to vote in respect of the Extraordinary Resolution (which must be in specified denominations of HK\$2,000,000 and integral multiples of HK\$1,000,000 in excess thereof) in the relevant Clearing Systems, given in such form as is specified by the Clearing Systems from time to time which Consent Instruction must be delivered through the relevant Clearing System by a Direct Participant in accordance with the procedures of the relevant Clearing System instructing the relevant Clearing System that the vote(s) attributable to the Bonds which are the subject of such electronic voting instruction should be cast in a particular way in relation to the Extraordinary Resolution. Each Consent Instruction delivered as contemplated in the Consent Solicitation Memorandum may be shared with the Principal Agent;
“Consent Solicitation”	the invitation to each of the Beneficial Owners of the Bonds to consider and, if thought fit, to approve the Extraordinary Resolution by submitting Consent Instructions or, as applicable, Ineligible Beneficial Owner Instructions at or prior to the Expiration Time;
“Consent Solicitation Memorandum”	the consent solicitation memorandum dated 6 July 2022 in relation to the Consent Solicitation;
“Consent Website”	https://deals.is.krroll.com/shimaoservices (and the access to which is subject to eligibility confirmation and registration);

“Direct Participant”	Each person shown in the records of Euroclear or Clearstream as a holder of the Bonds;
“Eligible Beneficial Owner”	A Beneficial Owner of the Bonds who is a non-U.S. person located outside the United States (as those terms are defined in Regulation S under the Securities Act);
“Euroclear”	Euroclear Bank SA/NV;
“Expiration Time”	at 5:00 p.m. Central European Time on 27 July 2022, as may be extended by the Issuer from time to time subject to applicable law and the Meeting Provisions and subject also as provided herein;
“Extraordinary Resolution”	the extraordinary resolution to be proposed, considered and voted upon at the Meeting to approve the Proposals (as set out in the Notice of Meeting);
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$” and “HK dollars”	Hong Kong dollars;
“Ineligible Beneficial Owner”	A Beneficial Owner who is not an Eligible Beneficial Owner, and/or a person to whom or from whom it is unlawful to send the Consent Solicitation Memorandum or to solicit consents under the Consent Solicitation in the manner described in the Consent Solicitation Memorandum under applicable laws;
“Ineligible Beneficial Owner Instruction”	The electronic instruction to be submitted by a Direct Participant to the Tabulation and Information Agent through the relevant Clearing System in order for Ineligible Beneficial Owners holding interests in the Bonds through the relevant Clearing System to participate in the Meeting. For the avoidance of the doubt, Ineligible Beneficial Owners wishing to vote in respect of the Extraordinary Resolution may submit an Ineligible Beneficial Owner Instruction by the Expiration Time, but the votes cast by Ineligible Beneficial Owners will not be counted in determining whether or not the Extraordinary Resolution is approved. However, if the Extraordinary Resolution is approved by the requisite majority and the Supplemental Trust Deed is executed, then Ineligible Beneficial Owners will receive the Ineligible Beneficial Owner Payment based on the Ineligible Beneficial Owner Instruction voted in favour of the Extraordinary Resolution;

“Ineligible Beneficial Owner Payment”	HK\$2,500 per HK\$1,000,000 principal amount of the Bonds in respect of which an instruction to vote in favour of the Extraordinary Resolution is received pursuant to an Ineligible Beneficial Owner Instruction;
“Issuer”	Crystal Idea Group Limited;
“Meeting”	the meeting (or any adjournment thereof) of the Bondholders convened by the Issuer pursuant to the Notice of Meeting at which such Bondholders will be asked to consider and, if thought fit, to approve the Extraordinary Resolution;
“Meeting Provisions”	the provisions regulating meetings of the Bondholders, as set out in Schedule 3 to the Trust Deed;
“PRC”	The People’s Republic of China;
“Principal Agent”	The Bank of New York Mellon, London Branch, as principal paying agent and principal conversion agent with respect to the Bonds;
“Proposed Amendments”	the Proposed Amendments with respect to the Bonds as set forth in the section of the Consent Solicitation Memorandum entitled “The Proposals”;
“Proposed Waiver”	the Proposed Waiver with respect to the Bonds as set forth in the section of the Consent Solicitation Memorandum entitled “The Proposals”;
“Regulation S”	Regulation S under the U.S. Securities Act;
“SGX-ST”	The Singapore Exchange Securities Trading Limited;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Supplemental Trust Deed”	The deed supplemental to the Trust Deed to be entered into by, <i>inter alios</i> , the Issuer, the Company and the Trustee, in the event that the Extraordinary Resolution is approved at the Meeting;
“Tabulation and Information Agent”	Kroll Issuer Services Limited;
“Trust Deed”	the trust deed dated 2 November 2021 entered into by the Issuer, the Company and the Trustee constituting the Bonds, as amended and supplemented;
“Trustee”	The Bank of New York Mellon, London Branch;

“U.S.” or “United States” the United States of America; and

“U.S. Securities Act” the United States Securities Act of 1933, as amended.

On behalf of the Board
Shimao Services Holdings Limited
Hui Sai Tan, Jason
Chairman

Hong Kong, 6 July 2022

As at the date of this announcement, the Board of the Company comprises five Executive Directors, namely Mr. Hui Sai Tan, Jason (Chairman), Mr. Ye Mingjie (President), Mr. Cao Shiyang, Mr. Cai Wenwei and Mr. Liu Yu; one Non-executive Director, namely, Ms. Tang Fei; and three Independent Non-executive Directors, namely, Ms. Kan Lai Kuen, Alice, Mr. Gu Yunchang and Ms. Zhou Xinyi.