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E-House (China) Enterprise Holdings Limited

易居(中國)企業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2048 and Debt Stock Code: 40507)

INSIDE INFORMATION

(1) RESTRUCTURING SUPPORT AGREEMENT (CB)

(2) DISCLOSEABLE AND CONNECTED TRANSACTION – THE TM HOME SHARE ISSUANCE

(3) NEW BUSINESS COOPERATION AGREEMENT

This announcement is made by E-House (China) Enterprise Holdings Limited (易居(中國)企業控股有限公司) (the “**Company**”) pursuant to Rule 13.09(2), Rule 14.34 and Rule 14A.35 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 Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

(1) THE RESTRUCTURING SUPPORT AGREEMENT (CB)

On 2 April 2023, the Company, the CB Holder, the Subsidiary Guarantors and DF King entered into the Restructuring Support Agreement (CB) in relation to the Restructuring, pursuant to which the CB Holder undertakes to support the potential restructuring of the Old Notes and the Convertible Note which may be implemented via the New Schemes subject to the terms and conditions therein.

(2) THE TM HOME SHARE ISSUANCE

On 2 April 2023, the Company, the TM Home Minority Shareholder and TM Home entered into the Share Subscription Agreement pursuant to which the Company and the TM Home Minority Shareholder, as shareholders of TM Home, have agreed to cause TM Home to issue, and the Company has agreed to subscribe the First Subscription Shares on the date of the First SSA Completion and the Second Subscription Shares on the date of the Second SSA Completion. Under the Share Subscription Agreement, the TM Home Minority Shareholder has agreed to waive any pre-emptive rights it may have to subscribe for additional shares in TM Home in relation to both the First TM Home Share Issuance and the Second TM Home Share Issuance.

Upon completion of the First TM Home Share Issuance, it is expected that the Company and the TM Home Minority Shareholder will directly hold approximately 89.207% and 10.793%, respectively, of the issued share capital of TM Home. On or prior to the completion of the Second TM Home Share Issuance, TM Home will undergo a reverse share split to convert each 1,000 of its shares into 1 share. Upon completion of the Second TM Home Share Issuance, it is expected that the Company and the TM Home Minority Shareholder will directly hold 99.212% and 0.788%, respectively, of the issued share capital of TM Home.

The First TM Home Share Issuance is conditional upon, among other things (i) the Company obtaining from the holders of the 2022 Notes and the 2023 Notes waivers to certain provisions under the indenture governing the 2022 Notes and the indenture governing the 2023 Notes, respectively, and (ii) the Company paying the TM Home Minority Shareholder the Incentive Fee (as defined below) on the date of the First SSA Completion, in consideration for the TM Home Minority Shareholder electing not to subscribe for additional shares in TM Home. The Second TM Home Share Issuance is subject to, among other things, each of the Cayman Scheme and the HK Scheme having been sanctioned by the Cayman Court and the High Court, respectively and shall take place on the Restructuring Effective Date, and immediately prior to the issuance of the CB Allocation (as defined below) to the CB Shareholder (as defined below) under the Restructuring.

On the Restructuring Effective Date, the Company will cause TM Home to issue new TM Home Shares (as defined below) to Creditor SPV and the CB Holder according to the Creditor SPV Allocation (as defined below) and the CB Allocation (as defined below), such that following such issuance, an aggregate 65% equity interest in the share capital of TM Home will be held collectively by Creditor SPV, the CB Shareholder and the TM Home Minority Shareholder. Following such issuance, Creditor SPV will hold approximately 54.207%, and the CB Shareholder and the TM Home Minority Shareholder will collectively hold approximately 10.793%, respectively, of the shares of TM Home. The remaining 35% of the shares of TM Home will be held by the Company and its affiliates, of which 15% will be transferred to a special purpose vehicle held by the members of senior management of TM Home appointed by the Company.

(3) THE NEW BCA

On 2 April 2023, TM Home, TM Home WFOE and Tmall Network entered into the New BCA, pursuant to which, among other things, upon the approval of the Shareholders of the Company, the Original BCA, the SCA and the IPLA will be terminated. The New BCA also set out terms of the transitional arrangements for the business operation of TM Home, pursuant to which, among other things, (i) Tmall Network and TM Home WFOE would continue the cooperation on the Tmall Haofang (天貓好房) platform business with TM Home WFOE being designated as the exclusive Tmall partner for the online real estate platform on Tmall, for the period from the date of the New BCA to 31 August 2024 and (ii) TM Home would be renamed.

LISTING RULES IMPLICATIONS

As of the date of this announcement, the TM Home Minority Shareholder is a holder of approximately 29.77% of the issued share capital of TM Home, which is a subsidiary of the Company, and therefore a connected person at subsidiary level of the Company. Since all of the Company, the TM Home Minority Shareholder and TM Home are parties to the Share Subscription Agreement and the transactions contemplated under the Share Subscription Agreement are interlinked, the Company considers that the above transactions should be treated as a single series of transactions. As one or more of the applicable percentage ratios in respect of the Share Subscription Agreement is more than 5% but less than 25%, such transactions constitute a disclosable and connected transaction of the Company and are subject to (x) the notification and announcement requirements under Chapter 14 of the Listing Rules and (y) the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Zhang Bang, Mr. Zhu Hongchao, Mr. Wang Liquan and Mr. Li Jin, being all the independent non-executive directors of the Company, has also been established to advise the Independent Shareholders in relation to the TM Home Share Issuance in accordance with Chapter 14A of the Listing Rules.

The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

SHAREHOLDER APPROVAL

The EGM will be convened and held for the Independent Shareholders to consider and approve the Share Subscription Agreement and the transactions contemplated thereunder. The Company expects to dispatch a circular on or before 12 May 2023 and in accordance with the Listing Rules containing, among others: (i) details of the Share Subscription Agreement and the transactions contemplated thereunder; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Share Subscription Agreement and the transactions contemplated thereunder; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders regarding the Share Subscription Agreement and the transactions contemplated thereunder; and (iv) the notice of the EGM, as additional time will be required to finalize certain information to be included in the circular.

The Share Subscription Agreement and the transactions contemplated thereunder are subject to fulfilment (or waiver) of certain conditions precedent, which includes the approval by a majority of the votes cast by the Independent Shareholders (either in person or by proxy) at the EGM, and may or may not proceed. The Shareholders and potential investors are advised to exercise caution when dealing in Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

OVERVIEW

Reference is made to the announcement of the Company dated 3 February 2023 (the “**Announcement**”) in relation to, among other things, the recent developments under the Prior Scheme.

Reference is also made to the Note Instrument dated 4 November 2020, in relation to the Convertible Note, entered into by the Company for the benefit of the CB Holder as the Noteholder (as defined in the Note Instrument). The Company has been in active discussions with its advisers with the intention to formulate a restructuring plan that appropriately takes into consideration the positions of all stakeholders. As a result and in order to restructure the Company’s debt obligations, including the Old Notes and the Convertible Note, the Company proposes to implement the New Schemes.

THE NEW SCHEMES

The Company intends to propose the New Schemes to holders of the Old Notes and the holder of the Convertible Note. If each of the New Schemes are sanctioned by the relevant court and become effective, on the Restructuring Effective Date, the Company will pay the Restructuring Consideration (as defined below) to the participating Scheme Creditors, consisting (i) US\$60 per US\$1,000 (or the HK\$ equivalent) of the Scheme Creditor Claim held by each Scheme Creditor at the Record Time, payable in cash; (ii) In the case of a Scheme Creditor that is a holder of the Old Notes, shares in Creditor SPV (defined below) *issued pro rata* by reference to the Scheme Creditor Claim that each such Scheme Creditor held at the Record Time as a proportion to the Scheme Creditors’ Claims of such Scheme Creditors; and (iii) on the Restructuring Effective Date, the Company will cause TM Home to issue a number of new shares of TM Home to Creditor SPV and the CB Shareholder (as defined below), pro rata by reference to the proportion of the aggregate Scheme Creditor’s Claims held by the holders of the Old Notes and the holder of the Convertible Note, respectively, at the Record Time, such that after such issuance, an aggregate 65% equity interest in the share capital of TM Home will be held collectively by Creditor SPV, the CB Shareholder and the TM Home Minority Shareholder. The Company intends to fund the cash consideration under the restructuring plan with external financing, including, but not limited to, raising approximately HK\$480 million by way of a potential rights issue which is expected to be underwritten by Mr. Zhou Xin.

The overall principle of the Restructuring is to give the Scheme Creditors a combination of cash and a controlling equity interest in TM Home, an entity that will, upon completion of the Restructuring, (a) hold and operate the Company’s two stable lines of business, being (i) real estate data and consulting services business currently operated under CRIC Holdings Limited and (ii) hold and operate the online real estate marketing service business in partnership with Tmall Network, and (b) holds a controlling stake in Leju Holdings Ltd. (NYSE: LEJU), a subsidiary of the Company. TM Home will not operate or hold the Company’s real estate brokerage network services conducted under the “Fangyou” brand name.

In order to implement the New Schemes, the Company entered into the Restructuring Support Agreement (CB), the Share Subscription Agreement and the New BCA.

The Company also intends to launch an invitation for irrevocable restructuring support to invite submission from holders of the Old Notes of a duly executed accession deed to the Restructuring Support Agreement (Old Notes) to support the potential restructuring of the Old Notes and the Convertible Note which may be implemented via the New Schemes.

THE RESTRUCTURING SUPPORT AGREEMENT (CB)

Date

2 April 2023

Parties

- (i) the Company;
- (ii) the Subsidiary Guarantors;
- (iii) the CB Holder (as consenting creditor); and
- (iv) D.F. King Ltd. (as information agent).

Overview

In order to implement the New Schemes, on 2 April 2023, the Company, the Subsidiary Guarantors, the CB Holder and D.F. King Ltd. entered into the Restructuring Support Agreement (CB) to support the New Schemes. By delivering the executed Restructuring Support Agreement (CB), the CB Holder confirms that it will exercise its voting rights attributable to the Convertible Note in favor of approving the New Schemes on the terms and subject to the conditions set out in the Restructuring Support Agreement (CB).

The key provisions of the Restructuring Support Agreement (CB) which directly relate to support for the potential Restructuring will automatically come into effect on the date on which the invitation to holders of the Old Notes to accede to the Restructuring Support Agreement (Old Notes) expires. Among other termination events, if there is no reasonable prospect of the Restructuring being effected by way of a Cayman Scheme and a HK Scheme, the Company may terminate the Restructuring Support Agreement (CB) in accordance with the terms therein and release all parties thereto from their obligations thereunder.

Subject to the receipt of votes in favor of the Cayman Scheme from a majority in number of Scheme Creditors representing seventy-five percent (75%) by combined value of the Old Notes and the Convertible Note that are present and voting (in person or by proxy) at the Cayman Scheme Meeting convened to consider the Cayman Scheme, the Company will ask the Cayman Court to issue a Cayman Sanction Order sanctioning the Cayman Scheme.

Subject to the receipt of votes in favor of the HK Scheme from a majority in number of Scheme Creditors representing seventy-five percent (75%) by combined value of the Old Notes and the Convertible Note that are present and voting (in person or by proxy) at the HK Scheme Meeting convened to consider the HK Scheme, the Company will ask the High Court to issue a High Court Order sanctioning the HK Scheme.

Assuming the Cayman Scheme is sanctioned by the Cayman Court and the HK Scheme is sanctioned by the High Court, upon delivery of the Cayman Sanction Order to the Registrar of Companies and registration of the High Court Order by the Hong Kong Companies Registrar, the Cayman Scheme and the HK Scheme would then become effective and binding upon all holders of the Old Notes and Convertible Note.

Undertakings of the CB Holder

Pursuant to and subject to the terms and conditions set out in the Restructuring Support Agreement (CB), the CB Holder, solely in its capacity as a holder of the Convertible Note, has irrevocably undertaken to:

- (1) attend the Cayman Scheme Meeting and the HK Scheme Meeting either in person or by proxy;
- (2) exercise all of its voting rights (whether by way of providing voting instructions to a proxy, instructing a representative to vote in person, or otherwise) attributable to such principal amount of the Convertible Note in which it holds a direct or beneficial interest as principal at the Record Time in favor of approving the Cayman Scheme and the HK Scheme;
- (3) not object to or challenge the Cayman Scheme, the HK Scheme or any application to the Cayman Court or the High Court in respect thereof or otherwise commence any proceeding(s) to oppose or alter any Scheme Document filed by the Company and/or the Subsidiary Guarantors in connection with the confirmation of the Restructuring;
- (4) not take, encourage, assist or support (or procure that any other person takes, encourages, assists or supports) any action for the purpose of frustrating, delaying, impeding or preventing the Cayman Scheme, the HK Scheme or the Restructuring, including (without limitation):
 - (a) proposing or supporting any alternative proposal or offer from any person or entity (other than the Company) in respect of the Restructuring which is materially inconsistent with the terms set out in the Term Sheet; or
 - (b) voting (or directing any proxy appointed by it to vote) the Convertible Note in which it holds a direct or beneficial interest as principal against the Cayman Scheme, the HK Scheme or in favor of any amendment, waiver, consent or proposal that is materially inconsistent with the terms set out in the Term Sheet; or
 - (c) transfer or agree to transfer any Convertible Note in which the CB Holder has a direct or beneficial interest as principal (including, without limitation, any Convertible Note purchased or otherwise acquired by the CB Holder after the date of the Restructuring Support Agreement (CB)) unless the transferee(s) provide(s) similar undertakings set out in the Restructuring Support Agreement (CB) in favor of the Company and the Subsidiary Guarantors.

Undertakings of the Company and Subsidiary Guarantors

Each of the Company and the Subsidiary Guarantors undertakes in favor of the CB Holder that it shall (or, as applicable, will procure that a duly authorized representative, proxy or nominee will) perform all actions as are reasonably necessary in order to support, facilitate, implement or otherwise give effect to the Restructuring (provided that such action is consistent in all material respects with the Term Sheet) as soon as reasonably practicable, including (without limitation) to:

- (1) pay or procure payments of (as applicable) the Instruction Fee (as defined below);
- (2) implement the Restructuring, the Cayman Scheme and the HK Scheme in the manner envisaged by, and on the terms and conditions set out in, the Restructuring Support Agreement (CB) and the Term Sheet and, in respect of any matters not expressly addressed by the Term Sheet, allow the CB Holder a reasonable opportunity to review and comment in advance and take into account, and use all reasonable endeavors to reflect, the CB Holder's comments thereon;
- (3) prepare the Scheme Document and any and all other documents required to implement the Restructuring and ensure that: (i) the terms set out in the Term Sheet are in all material respects reflected in the terms of each of the Cayman Scheme and the HK Scheme; (ii) no terms of either the Cayman Scheme or the HK Scheme are in any material respect inconsistent with the terms set out in the Term Sheet; and (iii) the terms of each of the Cayman Scheme and the HK Scheme (other than terms which reflect the terms set out in the Term Sheet) are: (x) terms which would customarily be included in a Cayman Islands or Hong Kong (as the case may be) scheme of arrangement of a nature similar to that of the Cayman Scheme and the HK Scheme; or (y) terms which are no less favorable to the CB Holder than the terms referred to in (x) above;
- (4) upon the Scheme Document being finalized, promptly propose, file and pursue any legal process or proceedings contemplated by or required to implement the Restructuring, including (without limitation) the Cayman Scheme and the HK Scheme;
- (5) take any actions pursuant to any order of, or sanction by, any relevant courts (including, without limitation, the Cayman Court and the High Court) as may be required or necessary to implement or give effect to the Restructuring;
- (6) procure that the Scheme Effective Date occurs and the Restructuring is fully implemented on or before the Longstop Date;
- (7) obtain any necessary regulatory or statutory approval required to permit or facilitate the Restructuring;
- (8) obtain all corporate and regulatory approvals necessary to implement the Restructuring in the manner envisaged by, and on the terms and conditions set out in, the Restructuring Support Agreement (CB) and the Term Sheet;
- (9) keep the CB Holder reasonably informed in relation to the status and progress of the Restructuring; and

(10) notify the CB Holder:

- (a) of any matter or thing which it knows or suspects would be reasonably likely to be a material impediment to the implementation of the Restructuring;
- (b) if any representation or statement made by it under the Restructuring Support Agreement (CB) proves to have been or to have become, incorrect or misleading in any material respect; or
- (c) if it breaches any undertaking given by it under the Restructuring Support Agreement (CB);

in each case promptly and, in any event, within three (3) Business Days upon becoming aware of the same.

Termination

- (1) The Restructuring Support Agreement (CB) and the rights and obligations created pursuant to the Restructuring Support Agreement (CB) shall terminate automatically and immediately on the earliest to occur of any of the following:
 - (a) the commencement of any Insolvency Event (as defined in the Restructuring Support Agreement (CB)) (other than the Cayman Scheme, the HK Scheme or any Recognition Filing (as defined in the Restructuring Support Agreement (CB)) in respect of any Obligor;
 - (b) the Cayman Scheme not being approved by the requisite majorities of Scheme Creditors at the Cayman Scheme Meeting or the HK Scheme not being approved by the requisite majorities of Scheme Creditors at the HK Scheme Meeting; provided however, that such automatic termination shall not occur if such Cayman Scheme Meeting or HK Scheme Meeting is adjourned to a date falling within ninety (90) days of the date of the initial Cayman Scheme Meeting or the HK Scheme Meeting and the Cayman Scheme or the HK Scheme is approved at such adjourned Cayman Scheme Meeting or the HK Scheme Meeting, as applicable, by the requisite majorities of the Scheme Creditors;
 - (c) the Cayman Court not granting a Cayman Sanction Order at the hearing of the Cayman Court or the High Court not granting a High Court Order at the hearing of the High Court convened for such purpose and there being no reasonable prospect of the Restructuring being effected and the Company and/or the Subsidiary Guarantors having exhausted all avenues of appeal;
 - (d) the Restructuring Effective Date; and
 - (e) the Longstop Date.

- (2) The Restructuring Support Agreement (CB) may be terminated:
- (a) by mutual written agreement of the Company and the CB Holder;
 - (b) at the election of the CB Holder by and upon a written notice of termination to the Company, following the occurrence of any of the following:
 - (i) the Company and/or the Subsidiary Guarantors proposing a Cayman Scheme or a HK Scheme which does not satisfy any of the following conditions: (i) the terms set out in the Term Sheet are in all material respects reflected in the terms of such Cayman Scheme or HK Scheme (as the case may be); (ii) no terms of such Cayman Scheme or the HK Scheme (as the case may be) are in any material respect inconsistent with the terms set out in the Term Sheet; and (iii) the terms of such Cayman Scheme or HK Scheme (as the case may be) (other than terms which reflect the terms set out in the Term Sheet) are: (x) terms which would customarily be included in a Cayman Islands or Hong Kong (as the case may be) scheme of arrangement of a nature similar to such Cayman Scheme or HK Scheme; or (y) terms which are no less favorable to the CB Holder than the terms referred to in (x) above, or otherwise pursuing any restructuring of the indebtedness of the Obligor in respect of the Convertible Note and/or the Old Notes other than in the manner envisaged by the Term Sheet;
 - (ii) the Company not filing any petition with the Cayman Court, or not filing any petition with the High Court, for the purpose of the Cayman Scheme and the HK Scheme respectively, within three months after the date of the Restructuring Support Agreement (CB);
 - (iii) the Cayman Court or the High Court rejecting the Company and the Subsidiary Guarantors' application to convene a Cayman Scheme Meeting or a HK Scheme Meeting, as applicable, in circumstances where there is no reasonable prospect of the Restructuring being effected and the Company and the Subsidiary Guarantors have exhausted all avenues of appeal; or
 - (iv) the Company or the Subsidiary Guarantors do not comply with any undertaking in the Restructuring Support Agreement (CB) in any material respect, unless the failure to comply is capable of remedy and is remedied within ten (10) Business Days of delivery of such notice of termination by the CB Holder to the Company. In such circumstances the termination shall be with effect from immediately after the ten (10) Business Days, but only if the failure to comply is not remedied within ten (10) Business Days;

- (c) in respect of the CB Holder, at the election of the Company by the delivery of a written notice of termination by the Company to the CB Holder if the CB Holder does not comply with any undertaking in the Restructuring Support Agreement (CB) in any material respect, unless the failure to comply is capable of remedy, in which case: (i) if such failure is remedied within 10 Business Days after such delivery, the notice of termination shall be deemed automatically revoked; and (ii) if such failure is not remedied within 10 Business Days, the Restructuring Support Agreement (CB) shall be terminated with effect from the expiry of such period of 10 Business Days, in each case provided that the Company shall not be entitled to terminate the Restructuring Support Agreement (CB) under this termination event on or after the Record Time unless the CB Holder has breached its obligations to exercise its voting rights attributable to the Convertible Note in favor of approving the Cayman Scheme and the HK Scheme in any material respect; or
- (d) at the written election of the Company, in circumstances where there is no reasonable prospect of the Restructuring being effected by way of a Cayman Scheme and by way of a HK Scheme, provided that the Company shall not be entitled to terminate the Restructuring Support Agreement (CB) under this termination event on or after the Record Time.

Amendment and Waiver

Subject to the next paragraph and the terms and conditions set out in the Restructuring Support Agreement (CB), the Restructuring Support Agreement (CB) may be amended or waived in writing by the CB Holder and the Company and such amendment or waiver shall be binding on all parties.

Any term of the Restructuring as set out in the Term Sheet, may only be amended or waived in writing by the CB Holder and the Company.

Longstop Date

The Longstop Date on which the Restructuring Support Agreement (CB) will automatically terminate is the date falling six months after (and excluding) the RSA Expiration Deadline, or such later date and time as the Company may elect to extend to, provided that such date shall not be later than 31 March 2024.

Instruction Fee

In accordance with the terms of the Restructuring Support Agreement (CB), the CB Holder will be entitled to an instruction fee in a total amount equal to (or, at the Company's sole discretion, any amount greater than) 0.25% of the aggregate principal amount of the Convertible Note plus accrued and unpaid interest on the Convertible Note up to (but excluding) 30 June 2023 (the "**Instruction Fee**"), in accordance with the terms and conditions in the Restructuring Support Agreement (CB) if the Restructuring is completed under a Cayman Scheme and a HK Scheme pursuant to the Restructuring Support Agreement (CB).

The Restructuring

Scheme Creditor Claim

The sum of:

- (1) the outstanding principal amount of the Old Notes held by the Scheme Creditors at the Record Time;
- (2) all accrued and unpaid interest on the Old Notes up to (but excluding) 30 June 2023;
- (3) the outstanding principal amount of the Convertible Note held by the Scheme Creditors at the Record Time; and
- (4) all accrued and unpaid interest on the Convertible Note up to (but excluding) 30 June 2023;

(together in aggregate, the “**Scheme Creditors’ Claims**”, and with respect to each Scheme Creditor, the “**Scheme Creditor Claim**”).

Scheme Creditors agree to a full release of all claims against (among others) the Company, any of the Subsidiaries of the Company, and the officers, directors, advisors and representatives of each of the foregoing under the Old Notes and the Convertible Note (as the case may be) in exchange for the Restructuring Consideration (subject to carve outs for fraud, dishonesty, willful default and willful misconduct).

Restructuring Consideration

If the New Schemes are sanctioned by the relevant court and become effective, the following restructuring consideration for the participating Scheme Creditors (the “**Restructuring Consideration**”) will be paid on the Restructuring Effective Date, consisting of the following:

- (a) US\$60 per US\$1,000 (or the HK\$ equivalent) of the Scheme Creditor Claim held by each Scheme Creditor at the Record Time, payable in cash;
- (b) In the case of a Scheme Creditor that is a holder of the Old Notes, shares in Creditor SPV (defined below) issued *pro rata* by reference to the Scheme Creditor Claim that each such Scheme Creditor held at the Record Time as a proportion to the Scheme Creditors’ Claims of such Scheme Creditors; and
- (c) On the Restructuring Effective Date, the Company will cause TM Home to issue a number of new shares of TM Home to Creditor SPV (the “**Creditor SPV Allocation**”) and the CB Holder or, at the CB Holder’s election, any affiliate of the CB Holder (the “**CB Shareholder**”) (the “**CB Allocation**”), *pro rata* by reference to the proportion of the aggregate Scheme Creditor’s Claims held by the holders of the Old Notes and the holder of the Convertible Note, respectively, at the Record Time, such that after such issuance, an aggregate 65% equity interest in the share capital of TM Home (the “**TM Home Shares**”) will be held collectively by Creditor SPV, the CB Shareholder and the TM Home Minority Shareholder.

Creditor SPV

Prior to the Restructuring Effective Date, the Company will set up the Creditor SPV for the purpose of holders of the Old Notes.

On the Restructuring Effective Date, each Scheme Creditor holding the Old Notes will be entitled to receive shares in Creditor SPV. The shares in Creditor SPV will be allocated *pro rata* by reference to the Scheme Creditor Claim that each such Scheme Creditor held at the Record Time as a proportion to the Scheme Creditors' Claims of such Scheme Creditors. On the Restructuring Effective Date, 100% of the shares of Creditor SPV will be transferred to the Scheme Creditors holding the Old Notes.

On the Restructuring Effective Date, the Company will cause TM Home to issue new TM Home Shares to Creditor SPV and the CB Holder according to the Creditor SPV Allocation and the CB Allocation, such that following such issuance, an aggregate 65% equity interest in the share capital of TM Home will be held collectively by Creditor SPV, the CB Shareholder and the TM Home Minority Shareholder. Following such issuance, Creditor SPV will hold approximately 54.207%, and the CB Shareholder and the TM Home Minority Shareholder will collectively hold approximately 10.793%, respectively, of the shares of TM Home. The remaining 35% of the shares of TM Home will be held by the Company and its affiliates, of which 15% will be transferred to a special purpose vehicle held by the members of senior management of TM Home appointed by the Company.

On the Restructuring Effective Date, in respect of Creditor SPV, the Scheme Creditors that are holders of the Old Notes will pass a shareholders' resolution to confirm the board of directors of Creditor SPV and to ratify all actions taken by the respective board of the Creditor SPV on or prior to the Restructuring Effective Date.

In order to ensure that the Company can continue to operate the business of TM Home pursuant to the New BCA, on or prior to the Restructuring Effective Date, the Company, Management SPV, Creditor SPV, the TM Home Minority Shareholder, the CB Shareholder and TM Home will enter into a shareholders' agreement in relation to TM Home (the "**TM Home Shareholders' Agreement**").

Share Sale Agency

As part of the Restructuring, Creditor SPV and the TM Home Minority Shareholder and/or the CB Shareholder will agree to appoint the Company as an agent, and the Company will undertake to use reasonable endeavors to sell or procure the sale, in each case for cash, of (including by way of auction) not less than 65% of the shares of, or assets held by, TM Home on or prior to 31 August 2024 (the "**Share Sale**"). Any such proposed sale shall be subject to the restrictions set out in the TM Home Shareholders' Agreement. This appointment shall not in any way affect the ability of Creditor SPV, the TM Home Minority Shareholder or the CB Shareholder to sell their shares in TM Home subject to the terms of the TM Home Shareholders' Agreement, and Creditor SPV, the TM Home Minority Shareholder and CB Shareholder shall have the discretion to determine whether or not to participate in such Share Sale subject to their review of the terms and conditions of the Share Sale.

The terms of such appointment will be documented in an agency agreement to be agreed upon and entered into on or prior to the Restructuring Effective Date.

THE TM HOME SHARE ISSUANCE

Date

2 April 2023

Parties

- (i) the TM Home Minority Shareholder;
- (ii) the Company; and
- (iii) TM Home.

Overview

In order to give effect to the New Schemes, the Company and the TM Home Minority Shareholder intend to cause TM Home to issue the First Subscription Shares on the date of the First SSA Completion and the Second Subscription Shares on the date of the Second SSA Completion, and the Company has agreed to subscribe for, the First Subscription Shares and the Second Subscription Shares upon the terms and subject to the conditions set out in the Share Subscription Agreement.

On 2 April 2023, the Company, the TM Home Minority Shareholder and TM Home entered into the Share Subscription Agreement pursuant to which the Company and the TM Home Minority Shareholder, as shareholders of TM Home, have agreed to cause TM Home to issue, and the Company has agreed to subscribe the First Subscription Shares on the date of the First SSA Completion and the Second Subscription Shares on the date of the Second SSA Completion. Under the Share Subscription Agreement, the TM Home Minority Shareholder has agreed to waive any pre-emptive rights it may have to subscribe for additional shares in TM Home in relation to both the First TM Home Share Issuance and the Second TM Home Share Issuance.

Upon completion of the First TM Home Share Issuance, it is expected that the Company and the TM Home Minority Shareholder will hold approximately 89.207% and 10.793%, respectively, of the issued share capital of TM Home. The First TM Home Share Issuance is conditional upon, among other things (i) the Company obtaining from the holders of the 2022 Notes and the 2023 Notes waivers to certain provisions under the indenture governing the 2022 Notes and the indenture governing the 2023 Notes, respectively, and (ii) the Company paying the TM Home Minority Shareholder, on the date of the First SSA Completion, an amount of US\$1,275,000 (the “**Incentive Fee**”) in consideration for the TM Home Minority Shareholder electing not to subscribe for additional shares in TM Home.

On or prior to the completion of the Second TM Home Share Issuance, TM Home will undergo a reverse share split to convert each 1,000 of its shares into 1 share.

Upon completion of the Second TM Home Share Issuance, the Company and the TM Home Minority Shareholder will hold approximately 99.212% and 0.788%, respectively, of the issued share capital of TM Home. The Second TM Home Share Issuance is subject to, among other things, the Cayman Scheme and the HK Scheme having been sanctioned by the Cayman Court and the High Court, respectively and shall take place on the Restructuring Effective Date, and immediately prior to the issuance of the CB Allocation to the CB Shareholder under the Restructuring.

Under the Share Subscription Agreement, the TM Home Minority Shareholder and the Company have agreed that in the event (i) the Company has effected payment of the Incentive Fee to the TM Home Minority Shareholder in full and it is not reasonably expected that such payment would become subject to any challenge which may result in it being unwound, revoked or otherwise clawed back, (ii) the Share Subscription Agreement is terminated by reason of the condition that the Cayman Scheme and the HK Scheme having been sanctioned by the Cayman Court and the High Court, respectively, not having been satisfied and (iii) an involuntary case or other proceeding have been commenced against the Company with respect to it or its debt obligations under any applicable bankruptcy, insolvency or other similar law (the later of the dates covered by (i), (ii) and (iii) above, the “**Trigger Date**”), the TM Home Minority Shareholder will, upon written request by the Company, transfer all of the shares of TM Home it holds as of the Trigger Date to the Company within 10 Business Days after its receipt of such request. Following such transfer, the TM Home Minority Shareholder would cease to be a shareholder of TM Home.

Consideration and Payment Terms

Pursuant to the Share Subscription Agreement, the total consideration for the subscription will be US\$105,020.92. The consideration for the subscription for (i) the First Subscription Shares will be US\$5,020.92 (representing approximately US\$0.0001 per First Subscription Share) and (ii) the Second Subscription Shares shall be US\$100,000 (representing approximately US\$0.1 per Second Subscription Share), which will be payable by the Company in full at (x) in respect of the First Subscription Shares, the First SSA Completion and (y) in respect of the Second Subscription Shares, the Second SSA Completion. The consideration for the TM Home Share Issuance will be paid with self-owned funds by the Company to TM Home in cash by wire transfer of immediately available funds.

In addition, the Incentive Fee will be payable by the Company at the First SSA Completion and will be paid in cash with self-owned funds.

Basis of the Consideration for the Share Subscription Agreement

The consideration for the subscription of the First Subscription Shares and the Second Subscription Shares is determined by way of arm’s length negotiations between the Company and TM Home by reference to the total number of the subscription shares and the then par value per TM Home’s share.

The Incentive Fee is determined by way of arm’s length negotiations between the Company and the TM Home Minority Shareholder and taking into account various factors, including (i) the importance of the successful implementation of the New Schemes and (ii) the fact that the TM Home Minority Shareholder’s shareholding in TM Home will be diluted significantly by the TM Home Share Issuance and the TM Home Minority Shareholder has a right to veto the TM Home Share Issuance under the existing contractual arrangements.

Conditions precedent to the Share Subscription Agreement

- (1) The First SSA Completion is conditional upon the satisfaction or, if applicable, waiver of the following conditions:
 - (a) there not having occurred at any time before the First SSA Completion, any event or circumstance which renders any of the TM Home Warranties (as defined in the Restructuring Support Agreement (CB)) untrue, inaccurate or misleading in any material respect;

- (b) there not having occurred at any time before the First SSA Completion, any event or circumstance which renders any of the warranties given by the TM Home Minority Shareholder untrue, inaccurate or misleading in any material respect;
 - (c) there not having occurred at any time before the First SSA Completion, any event or circumstance which renders any of the Company Warranties (as defined in the Restructuring Support Agreement (CB)) untrue, inaccurate or misleading in any material respect;
 - (d) the Company having obtained the consent and waiver from holders of the Old Notes for, among other things, the transactions contemplated herein and the Restructuring;
 - (e) each of the Original BCA, the SCA and the IPLA having been terminated;
 - (f) all the authorizations, approvals, consents, waivers and permits of, and filings with, government entities which are necessary for the entry into the Share Subscription Agreement and/or the performance of the obligations hereunder or otherwise to give effect to the transactions contemplated hereunder as required by Applicable Laws (as defined in the Share Subscription Agreement) having been granted, received, obtained and completed;
 - (g) there not being in effect any Applicable Law restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by the Share Subscription Agreement; and
 - (h) the Company paying the TM Home Minority Shareholder the Incentive Fee on the date of the First SSA Completion, in consideration for the TM Home Minority Shareholder electing not to subscribe for additional shares in TM Home.
- (2) The Second SSA Completion is conditional upon the satisfaction or, if applicable, waiver of the following conditions:
- (a) there not having occurred at any time before Second SSA Completion, any event or circumstance which renders any of the TM Home Warranties untrue, inaccurate or misleading in any material respect;
 - (b) there not having occurred at any time before Second SSA Completion, any event or circumstance which renders any of the warranties given by the TM Home Minority Shareholder untrue, inaccurate or misleading in any material respect;
 - (c) there not having occurred at any time before Second SSA Completion, any event or circumstance which renders any of the Company Warranties untrue, inaccurate or misleading in any material respect;
 - (d) the courts of the Cayman Islands and Hong Kong having sanctioned the relevant Scheme filed under the laws of Cayman Islands and the laws of Hong Kong, as the case may be, and the Restructuring having become unconditional in all respects;

- (e) all the authorizations, approvals, consents, waivers and permits of, and filings with, Government Entities which are necessary for the entry into the Share Subscription Agreement and/or the performance of the obligations hereunder or otherwise to give effect to the transactions contemplated hereunder as required by Applicable Laws having been granted, received, obtained and completed; and
- (f) there shall not be in effect any Applicable Law restraining, enjoining or otherwise prohibiting or making illegal the consummation of any of the transactions contemplated by the Share Subscription Agreement.

The conditions set out in (1)(a) and (2)(a) may be waived in writing in whole or in part by the Company and the TM Home Minority Shareholder. The conditions set out in (1)(b) and (2)(b) may be waived in writing in whole or in part by the Company. The conditions set out in (1)(c), (1)(e), (1)(h) and (2)(c) may be waived in writing in whole or in part by the TM Home Minority Shareholder. The conditions set out in (1)(d), (1)(f), (1)(g), (2)(d), (2)(e) and (2)(f) may not be waived by any party to the Share Subscription Agreement.

The Company shall use all reasonable endeavors to procure the satisfaction and continued satisfaction of the Conditions set out in (1) and (2) (other than the Conditions set out in (1)(a), (1)(b), (2)(a) and (2)(b)) as soon as practicable and in any event prior to (i) the First Longstop Date (i.e. 180 days after the date of the Share Subscription Agreement) in the case of the conditions to the First Subscription and (ii) the Second Longstop Date in the case of the conditions to the Second Subscription. The TM Home Minority Shareholder shall use all reasonable endeavors to procure the satisfaction and continued satisfaction of the conditions set out in (1)(b) and (2)(b) as soon as practicable and in any event prior to (i) the First Longstop Date in the case of the condition set out in 1(b) and (ii) the Second Longstop Date in the case of the conditions set out in 2(b). TM Home shall use its reasonable endeavors to procure the satisfaction and continued satisfaction of the Conditions set out in (1)(a), (1)(f), (1)(g), (2)(a), (2)(e) and (2)(f) as soon as practicable and in any event prior to (i) the First Longstop Date in the case of conditions to the First Subscription and (ii) the Second Longstop Date in the case of conditions to the Second Subscription.

Each party to the Share Subscription Agreement undertakes to give notice to the other parties of the occurrence of any event or circumstance that is likely to cause a condition not to be satisfied prior to (i) the First Longstop Date in the case of the First Subscription and (ii) the Second Longstop Date in the case of the Second Subscription, in each case, as soon as practicable and in any event within five (5) Business Days after becoming aware of such event or circumstance.

Completion

The First SSA Completion shall take place: (a) on the third business day after the satisfaction or waiver (as the case may be) of the last in time of the relevant conditions (other than any such condition (or any part thereof) which may only be satisfied at the First SSA Completion); or (b) at such other time as may be agreed by the parties to the Share Subscription Agreement in writing. Subject to the satisfaction of the relevant conditions (other than any such condition (or any part thereof) which may only be satisfied at the Second SSA Completion), the Second SSA Completion shall take place on the same day as the date of, and immediately prior to, the issuance of shares in TM Home under the terms of the Restructuring as described in the Share Subscription Agreement, or such other time as may be agreed by the parties to the Share Subscription Agreement in writing.

Reasons for and benefits of the Share Subscription Agreement

As stated above, the Company has been in active discussions with its advisers with the intention to formulate a restructuring plan that appropriately takes into consideration the positions of all stakeholders. As a result and in order to restructure the Company's debt obligations, including the Old Notes and the Convertible Note, the Company proposes to implement the New Schemes. In order to implement the New Schemes, the Company entered into, among others, the Share Subscription Agreement.

The Board (save for (i) Ms. Jiang Shanshan who has abstained from voting on the Board resolution in respect of the Share Subscription Agreement and (ii) the independent non-executive Directors whose views shall be set out in the circular to be dispatched) considers that the terms of the Share Subscription Agreement, which are made on normal commercial terms, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Information of the Parties

The Company

The Company is a real estate transaction service provider in the PRC, mainly offering real estate agency services in the primary market, real estate data and consulting services and real estate brokerage network services.

TM Home Minority Shareholder

The TM Home Minority Shareholder is a company incorporated in the British Virgin Islands with limited liability, and is a directly wholly-owned subsidiary of Alibaba Holding. Alibaba Holding is a company incorporated in the Cayman Islands and its American depositary shares, each representing eight ordinary shares, are listed on the New York Stock Exchange, stock symbol BABA, and its ordinary shares are listed on the Main Board of the Stock Exchange, stock code 9988.

TM Home

TM Home was incorporated on 29 January 2021 for the purpose of developing the Tmall Haofang online real estate marketing and transaction platform through TM Home WFOE. TM Home was jointly established by the Group and the TM Home Minority Shareholder with a paid up share capital of US\$1,500,000, which currently is owned as to approximately 29.77% by the TM Home Minority Shareholder and approximately 70.23% by the Company as at the date of this announcement. TM Home is currently engaged in the businesses of online real estate marketing and transaction platform operation.

The major financial information of TM Home for two years ended 31 December 2022, based on the audited financial statements of the Group prepared in accordance with the IFRS, is set out below:

	Year Ended 31 December 2021 RMB'000	Year Ended 31 December 2022 RMB'000
Revenue	252,905	3,881,570
Net loss before tax	(484,674)	(1,765,127)
Net loss after tax	(429,197)	(1,690,656)

In addition, the net assets of TM Home as of 31 December 2022 amounted to RMB206,207,000.

THE NEW BCA

On 2 April 2023, TM Home, TM Home WFOE and Tmall Network entered into the New BCA, pursuant to which, among other things, upon the approval of the Shareholders of the Company, the Original BCA, the SCA and the IPLA will be terminated. The New BCA also set out terms of the transitional arrangements for the business operation of TM Home, pursuant to which, among other things, (i) Tmall Network and TM Home WFOE would continue the cooperation on the Tmall Haofang (天貓好房) platform business with TM Home WFOE being designated as the exclusive Tmall partner for the online real estate platform on Tmall, for the period from the date of the New Cooperation Agreement to 31 August 2024 and (ii) TM Home would be renamed.

LISTING RULES IMPLICATIONS

As of the date of this announcement, the TM Home Minority Shareholder is a holder of approximately 29.77% of the issued share capital of TM Home, which is a subsidiary of the Company, and therefore a connected person at subsidiary level of the Company. Since all of the Company, the TM Home Minority Shareholder and TM Home are parties to the Share Subscription Agreement and the transactions contemplated under the Share Subscription Agreement are interlinked, the Company considers that the above transactions should be treated as a single series of transactions. As one or more of the applicable percentage ratios in respect of the Share Subscription Agreement is more than 5% but less than 25%, such transactions constitute a disclosable and connected transaction of the Company and are subject to (x) the notification and announcement requirements under Chapter 14 of the Listing Rules and (y) the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Zhang Bang, Mr. Zhu Hongchao, Mr. Wang Liqun and Mr. Li Jin, being all the independent non-executive directors of the Company, has also been established to advise the Independent Shareholders in relation to the TM Home Share Issuance in accordance with Chapter 14A of the Listing Rules.

The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

SHAREHOLDER APPROVAL

The EGM will be convened and held for the Independent Shareholders to consider and approve the Share Subscription Agreement and the transactions contemplated thereunder. The Company expects to dispatch a circular on or before 12 May 2023 and in accordance with the Listing Rules containing, among others: (i) details of the Share Subscription Agreement and the transactions contemplated thereunder; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the Share Subscription Agreement and the transactions contemplated thereunder; (iii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders regarding the Share Subscription Agreement and the transactions contemplated thereunder; and (iv) the notice of the EGM, as additional time will be required to finalize certain information to be included in the circular.

To the best knowledge of the Directors, as at the date of this announcement, save for Taobao China Holding Limited (being an associate of the TM Home Minority Shareholder), no Shareholder has a material interest in or is otherwise interested in or involved in the Share Subscription Agreement and the transactions contemplated thereunder, and therefore, save for Taobao China Holding Limited, no Shareholder is required to abstain from voting on resolutions in relation to these matters at the EGM.

The Share Subscription Agreement and the transactions contemplated thereunder are subject to fulfilment (or waiver) of certain conditions precedent, which includes the approval by a majority of the votes cast by the Independent Shareholders (either in person or by proxy) at the EGM, and may or may not proceed. The Shareholders and potential investors are advised to exercise caution when dealing in Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise.

“2022 Notes”	means the US\$200,000,000 7.625% senior unsecured notes due 2022 issued by the Company (ISIN: XS2066636429, Common Code: 206663642) on 18 October 2019, and the additional US\$100,000,000 7.625% senior unsecured notes due 2022 issued by the Company on 14 August 2020, which have been consolidated with the US\$200,000,000 7.625% senior unsecured notes due 2022 issued on 18 October 2019
“2023 Notes”	means the US\$200,000,000 7.60% senior unsecured notes due 2023 issued by the Company (ISIN: XS2260179762, Common Code: 226017976) on 10 December 2020, and the additional US\$100,000,000 7.60% senior unsecured notes due 2023 issued by the Company on 11 June 2021, which have been consolidated with the US\$200,000,000 7.60% senior unsecured notes due 2023 issued on 10 December 2020
“Alibaba China”	Alibaba (China) Network Technology Co., Ltd., a company incorporated under the laws of the PRC and an indirectly wholly-owned subsidiary of Alibaba Holding

“Alibaba Holding”	Alibaba Group Holding Limited, a company incorporated in the Cayman Islands, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock symbol: BABA) and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988)
“Board”	the board of directors of the Company
“Cayman Companies Law”	the Cayman Islands Companies Act (As Revised) as amended, modified or re-enacted from time to time
“Cayman Court”	the Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom
“Cayman Sanction Order”	the sealed copy of the order of the Cayman Court sanctioning the Cayman Scheme under section 86 of the Cayman Companies Law
“Cayman Scheme”	the scheme of arrangement proposed to be effected pursuant to section 86 of the Cayman Companies Law between the Company and the Scheme Creditors for the purpose of implementing the Restructuring, as contemplated under the Restructuring Support Agreement (CB) and the Term Sheet
“Cayman Scheme Meeting”	the meeting of the creditors of the Company, whose claims against the Company are (or will be) the subject of the Cayman Scheme, to vote on that Cayman Scheme convened pursuant to the order of the Cayman Court (and any adjournment of such meeting)
“CB Holder”	Alibaba.com Hong Kong Limited, the Noteholder (as defined in the Note Instrument) of the Convertible Note and a company incorporated under the laws of Hong Kong with limited liability and indirectly wholly-owned by Alibaba Holding
“CB Shareholder”	the CB Holder or, at the CB Holder’s election, any affiliate of the CB Holder
“Company”	E-House (China) Enterprise Holdings Limited (易居(中國)企業控股有限公司), a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange, with stock code 2048
“Companies Ordinance”	the Companies Ordinance (Cap 622 of the laws of Hong Kong) as applicable in Hong Kong
“Company Shareholders”	the shareholders of the Company
“Convertible Note”	the HK\$1,031,900,000 2.0% convertible note due 4 November 2023 issued by the Company on 4 November 2020 to the CB Holder and guaranteed by the Subsidiary Guarantors, as amended and supplemented from time to time

“Convertible Note Trust Deed”	the note instrument dated as of 4 November 2020 constituting the Convertible Note
“Creditor SPV”	a special purpose vehicle for the purpose of holders of the Old Notes to be set up by the Company prior to the Restructuring Effective Date
“DF King”	D.F. King Ltd., a limited liability company incorporated and registered under the laws of England and Wales
“Director(s)”	the directors of the Company
“EGM”	the extraordinary general meeting of the Shareholders to be convened and held to consider and approve the Share Subscription Agreement and the transactions contemplated thereunder
“First Longstop Date”	180 days after the date of to the Share Subscription Agreement (or such later date as may be agreed among the parties to the Share Subscription Agreement)
“First SSA Completion”	the completion of the issuance and subscription of the First Subscription Shares pursuant to the Share Subscription Agreement
“First Subscription”	the subscription of the First TM Home Share Issuance at the First SSA Completion pursuant to the Share Subscription Agreement
“First Subscription Shares”	the 50,209,195 new shares to be issued by TM Home on the date of the First SSA Completion pursuant to the Share Subscription Agreement
“First TM Home Share Issuance”	the issuance of the First Subscription Shares on the date of the First SSA Completion pursuant to the Share Subscription Agreement
“High Court”	the High Court of Hong Kong and any court capable of hearing appeals therefrom
“High Court Order”	an office copy of the order of the High Court sanctioning the HK Scheme
“HK Scheme”	the scheme of arrangement proposed to be effected pursuant to sections 673 and 674 of the Companies Ordinance between the Company and the Scheme Creditors for the purpose of implementing the Restructuring, as contemplated under the Restructuring Support Agreement (CB) and the Term Sheet
“HK Scheme Meeting”	a meeting of the Scheme Creditors in relation to the HK Scheme as convened by order of the High Court of Hong Kong for the purpose of considering and, if thought fit, approving the HK Scheme, and any adjournment thereof

“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Companies Registrar”	the Registrar of Companies appointed under the Companies Ordinance
“Independent Board Committee”	the independent board committee established by the Board to advise the Independent Shareholders on the Share Subscription Agreement and the transactions contemplated thereunder, comprising Mr. Zhang Bang, Mr. Zhu Hongchao, Mr. Wang Liqun, and Mr. Li Jin, being all the independent non-executive Directors
“Independent Financial Adviser”	an independent financial adviser to the Independent Board Committee and Independent Shareholders in respect of the Share Subscription Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders, other than those who are interested in or involved in the Share Subscription Agreement and the transactions contemplated thereunder (including Taobao China Holding Limited)
“IPLA”	the IP Licensing Agreement dated 1 September 2021 entered into between Alibaba Singapore Holding Private Limited and TM Home WFOE, as amended and supplemented from time to time
“Longstop Date”	means the date falling six months after (and excluding) the RSA Expiration Deadline, or such later date and time as the Company may elect to extend to, provided that such date shall not be later than 31 March 2024
“Management SPV”	a special purpose vehicle for the purpose of holding shares in TM Home by certain members of management of the Company
“Mr. Zhou Xin”	a substantial shareholder and director of the Company, and a connected person of the Company
“New BCA”	the new business transition agreement, dated 2 April 2023, entered into by and among Tmall Network, TM Home WFOE and TM Home in relation to the business operation of TM Home
“New Schemes”	the Cayman Scheme and the HK Scheme
“Note Instrument”	the Note Instrument constituting the Convertible Note convertible into ordinary shares of the Company dated 4 November 2020 entered into by the Company for the benefit of the CB Holder as the Noteholder (as defined in the Note Instrument)

“Obligors”	means, collectively, the Company and the Subsidiary Guarantors; and “Obligor” means any one of them
“Old Notes”	the 2022 Notes and the 2023 Notes
“Original BCA”	the TM Home Business Cooperation Agreement (天貓好房業務合作協議) dated 1 September 2021 entered into between Tmall Network and TM Home WFOE, as amended and supplemented from time to time
“PRC”	the People’s Republic of China, excluding, for the purposes of this announcement, Hong Kong, the Macao Special Administrative Region and Taiwan
“Prior Scheme”	the scheme of arrangement conducted by the Company pursuant to Section 86 of the Cayman Islands Companies Act and sanctioned by an order made by the Grand Court of the Cayman Islands at the hearing held on 9 November 2022 (Cayman Islands time)
“Record Time”	the time designated by the Company for the determination of the Scheme Creditor’s claim for the purposes of voting at the Cayman Scheme Meeting and the HK Scheme Meeting
“Restructuring”	a potential restructuring of the indebtedness of the Obligors in respect of the Convertible Note and the Notes, to be conducted in the manner envisaged by, and on the terms set out in, the Term Sheet
“Restructuring Effective Date”	the day on which all conditions precedent to the Restructuring have been satisfied or waived (as the case may be), including the obtaining of all relevant approvals or consents
“Restructuring Support Agreement (CB)”	the restructuring support agreement, dated 2 April 2023, entered into by the Company, the Subsidiary Guarantors, the CB Holder and D.F. King Ltd. in relation to the New Schemes
“Restructuring Support Agreement (Old Notes)”	the restructuring support agreement, in relation to the Restructuring, that is expected to be entered into by the Company, the Subsidiary Guarantors and D.F. King Ltd, and acceded to by the Scheme Creditors that are holders of the Old Notes
“RSA Expiration Deadline”	the time of expiry of the invitation to holders of the 2022 Notes and 2023 Notes to accede to the Restructuring Support Agreement (Old Notes), being initially no later than 5:00 p.m., London time, on 28 April 2023 unless otherwise extended (provided that such date shall not be later than 31 May 2023) or earlier terminated in accordance with the terms therein and the terms of the Restructuring Support Agreement (CB)

“SCA”	the amended and restated strategic cooperation framework agreement dated 1 September 2021 entered into between Alibaba China and the Company, as amended and supplemented from time to time
“Scheme Creditors”	the creditors of the Company whose claims against the Obligors are (or will be) the subject of the New Schemes
“Scheme Documents”	the composite scheme documents to be circulated by the Company to the holders of the Convertible Note and the Old Notes in relation to the New Schemes, which will include (among other things) an explanatory statement together with the appendices, proxy form, claim form, notice of scheme meeting, and letter from the board
“Scheme Effective Date”	later of (i) the date on which the Cayman Sanction Order is delivered to the Cayman Registrar of Companies for registration and (ii) the date the High Court Order is registered by the Hong Kong Companies Registrar
“Second Longstop Date”	31 March 2024
“Second SSA Completion”	the completion of the issuance and subscription of the Second Subscription Shares pursuant to the Share Subscription Agreement
“Second Subscription”	the subscription of the Second TM Home Share Issuance at the Second SSA Completion pursuant to the Share Subscription Agreement
“Second Subscription Shares”	the 1,000,000 new shares to be issued by TM Home on the date of the Second SSA Completion pursuant to the Share Subscription Agreement
“Second TM Home Share Issuance”	the issuance of the Second Subscription Shares on the date of the Second SSA Completion pursuant to the Share Subscription Agreement
“Share Subscription Agreement”	the share subscription agreement, dated 2 April 2023, entered into by and among the TM Home Minority Shareholder, the Company and TM Home in relation to the Subscription Shares
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantors”	certain subsidiaries of the Company which provided unconditional and irrevocable guarantees to secure the Company’s obligations under the Old Notes

“Term Sheet”	the term sheet attached to the Restructuring Support Agreement (CB) (as may be amended from time to time)
“TM Home”	TM Home Limited, a company incorporated in the Cayman Islands with limited liability and a subsidiary of the Company, to be renamed pursuant to the New BCA
“TM Home Minority Shareholder”	Alibaba Investment Limited, a company incorporated in the British Virgin Islands with limited liability and a directly wholly-owned subsidiary of Alibaba Holding
“Tmall Network”	Zhejiang Tmall Network Co., Ltd. (浙江天貓網絡有限公司) a company incorporated under the laws of the PRC and a subsidiary of Alibaba Holding
“TM Home Share Issuance”	the issuance by TM Home of the First Subscription Shares through the First TM Home Share Issuance and the Second Subscription Shares through the Second TM Home Share Issuance to the Company pursuant to the Share Subscription Agreement
“TM Home WFOE”	Shanghai TM Home E-Commence Limited (上海天貓好房電子商務有限公司), a company incorporated under the laws of the PRC and an indirectly wholly-owned subsidiary of TM Home (Hong Kong) Limited. TM Home (Hong Kong) Limited is a wholly-owned subsidiary of TM Home, which is in turn 70.23% owned by the Company

By order of the Board
E-House (China) Enterprise Holdings Limited
Zhou Xin
Chairman

Hong Kong, 3 April 2023

As at the date of this announcement, the Board comprises Mr. Zhou Xin as Chairman and executive Director, Mr. Huang Canhao, Dr. Cheng Li-Lan and Dr. Ding Zuyu as executive Director, Ms. Jiang Shanshan, Mr. Yang Yong, Mr. Lv Peimei and Mr. Song Jiajun as non-executive directors, and Mr. Zhang Bang, Mr. Zhu Hongchao, Mr. Wang Liqun and Mr. Li Jin as independent non-executive Director.