

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement is for information purposes only, and does not constitute an offer to sell or the solicitation of an offer to acquire, purchase or subscribe for any securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.*

*Neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever. Neither this announcement nor any copy hereof may be taken into or distributed in the United States or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any other jurisdiction, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. The Company does not intend to make any public offering of securities in the United States.*



## **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**

#### **INVITATION FOR IRREVOCABLE RESTRUCTURING SUPPORT**

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) 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).

Reference is made to the announcement of the Company dated 3 February 2023 and 3 April 2023 (the “**Announcements**”) in relation to, among other things, the recent developments under the Prior Scheme and the Restructuring Support Agreement (CB).

As announced in the Announcements, the Company 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 to support the potential restructuring of the Old Notes and the Convertible Note which may be implemented via the New Schemes.

## **THE NEW SCHEMES**

**PLEASE NOTE: Only Scheme Creditors who are not Blocked Scheme Creditors (as defined below) can participate in the Invitation for Irrevocable Restructuring Support. Accordingly, Blocked Scheme Creditors are not permitted to execute and deliver the Accession Deed to the Restructuring Support Agreement in accordance with the procedures described in this announcement and the Restructuring Support Agreement.**

### **Overview**

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 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, 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.

## **The Blocked Scheme Creditors**

Certain holders of the Old Notes will not be able to participate in the Invitation for Irrevocable Restructuring Support due to applicable financial sanctions imposed with respect to Russia, which for the purposes of the Invitation for Irrevocable Restructuring Support affect Old Notes that are held through Russia's National Settlement Depository or by persons who are (i) otherwise not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of the applicable financial sanctions affecting the holders of the Old Notes or its custodian as determined by the Clearing Systems or (ii) a Russian Person, such holders of the Old Notes are referred to as the blocked scheme creditors (the "**Blocked Scheme Creditors**"). Blocked Scheme Creditors will not be entitled to submit Consents through the Clearing Systems or to the Information Agent. In addition, Blocked Scheme Creditors will not be able to submit the Accession Deed and Restricted Notes Notice to the Restructuring Support Agreement to the Information Agent and the Information Agent will not be able to collect information from the Blocked Scheme Creditors. As a result, Blocked Scheme Creditors will not be able to participate in the Invitation for Irrevocable Restructuring Support.

## **The Restructuring Support Agreement (CB)**

In order to implement the New Schemes, on 2 April 2023, the Company entered into the Restructuring Support Agreement (CB), the Share Subscription Agreement and the New BCA.

Pursuant to the Restructuring Support Agreement (CB), 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.

Pursuant to the Restructuring Support Agreement (CB), 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.

## **Background and Purpose of the Invitation for Irrevocable Restructuring Support**

We mainly offer real estate agency services in the primary market, real estate data and consulting services and real estate brokerage network services. We serve real estate developers, buyers, brokerage firms and other industry participants, covering various aspects of the real estate value chain. Since mid-2021, sales for residential property in China slowed significantly and prices for residential units suffered a substantial reduction. In the same period, a number of high-profile Chinese property developers, including some of our customers, began to experience difficulties in securing external financing from PRC banks as well as the onshore and offshore capital markets. Many companies in the Chinese property sector, including our Company, have been negatively affected by this downturn in different respects:

- **Difficulty raising onshore and offshore financing:** Many companies within the real estate sector, including those providing services to real estate developers and consumers such as our Company, have been unable to access typical financing channels, such as bank lending and capital markets for equity and debt. This has created significant pressure on our short-term liquidity. Reduced bank lending for companies in the real estate sector has resulted in reduced access by these companies to onshore capital. Adverse reaction to these onshore events by offshore capital markets has limited our funding sources to address upcoming maturities on our outstanding indebtedness. In addition, in 2021, we have been assigned a rating of "BB-" with a negative outlook by S&P Global Ratings and "BB+" with a negative outlook by Lianhe Global. In March 2022, we have asked these rating agencies to withdraw their credit ratings of us. The offshore bond market, on which we rely heavily for refinancing and growth capital, is effectively closed to privately owned companies in the Chinese property sector. The difficulty faced by us in raising onshore and offshore financing has significantly exacerbated our current liquidity pressures.

- Decreased cash flows and liquidity in a deteriorating market: In 2022, our loss for the year amounted to RMB4,968.5 million (US\$722.6 million), compared to profit for the year of RMB9,374.5 million in 2021. This was mainly due to (i) the decline in our business scale as a result of the downturn in the overall real estate market; (ii) the additional loss allowance for the expected credit loss on outstanding trade-related receivables from customers that we recognized due to the deterioration in the credit quality of several real estate developer customers; and (iii) impairment losses on other assets resulting from the overall real estate market downturn. Further, the general deterioration of the PRC property market has affected our revenue and cash flow as we are dependent primarily on PRC property developers paying the fees for our services. The general downturn of the PRC property market and the cash flow difficulties faced by various high-profile PRC property developers have in turn materially and adversely impacted our ability to generate sufficient cash to service our debt in a timely manner and sustain our operations.
- Tightening of supervision of financing activities and cash balances: Furthermore, there has been significant tightening of supervision of our cash balances by onshore and offshore banks which significantly reduced our unrestricted cash. We have been subject to significant restrictions on our cash deployment. The tightening of supervision has significantly constrained our ability to remit cash offshore. Since the fourth quarter of 2021, many of our creditors, whether onshore or offshore, have also required us to enhance the security or provide cash deposit as a condition to maintain or extend the credit provided to us. These measures have drastically reduced the amount of cash freely deployable by us for servicing our financial and other obligations.

As of the date of this announcement, our outstanding offshore indebtedness consists of the following:

- US\$200,000,000 7.625% senior notes due 2022 (ISIN: XS2066636429, Common Code: 206663642) we issued on October 18, 2019, and the additional US\$100,000,000 7.625% senior notes due 2022 we issued on August 14, 2020, which have been consolidated and form a single class with the US\$200,000,000 7.625% senior notes due 2022 issued on October 18, 2019, with principal of approximately US\$298,200,000 outstanding;
- US\$200,000,000 7.60% senior notes due 2023 (ISIN: XS2260179762, Common Code: 226017976) we issued on December 10, 2020, and the additional US\$100,000,000 7.60% senior notes due 2023 we issued on June 11, 2021, which have been consolidated and form a single class with the US\$200,000,000 7.60% senior notes due 2023 issued on December 10, 2020, with principal of approximately US\$300,000,000 outstanding; and
- HK\$1,031,900,000 2.0% convertible note due 2023 we issued on November 4, 2020, to Alibaba.com Hong Kong Limited, with principal of approximately HK\$1,031,900,000 outstanding.

As part of our efforts to meet our financial commitments, we are conducting this Invitation for Irrevocable Restructuring Support to provide increased flexibility to our operations, alleviate our cashflow pressure, waive certain restrictions under the Old Notes Indentures in order to implement the Restructuring and manage our default risk.

We intend to communicate actively with our other creditors to address our liquidity issues consensually and amicably and within a reasonable timeframe. In the meantime, we will continue to prioritize the stabilization of our operations with a view to preserve our revenue and cash generation.

## **THE RESTRUCTURING SUPPORT AGREEMENT AND NEXT STEPS**

The Company, the Subsidiary Guarantors and the Information Agent have entered into the Restructuring Support Agreement on 2 April 2023. Each Eligible Holder is invited to submit an Electronic Consent Instruction to the relevant Clearing System and a duly executed Accession Deed and Restricted Notes Notice to the Restructuring Support Agreement to support the Restructuring which may be implemented via the New Schemes. By submitting an Electronic Consent Instruction to the relevant Clearing System and delivering an executed Accession Deed to the Restructuring Support Agreement pursuant to the Invitation for Irrevocable Restructuring Support, each Consenting Creditor confirms that it will use and vote all of its interest in the Old Notes to approve and fully support the Restructuring and the Cayman Scheme on the terms and subject to the conditions set out in the Restructuring Support Agreement.

The key provisions of the Restructuring Support Agreement which directly relate to support for the potential Restructuring will automatically come into effect on the date of the Restructuring Support Agreement. 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 in accordance with the terms therein and release all parties thereto from their obligations (including any accrued 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 register 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.

A copy of the Restructuring Support Agreement and a copy of the Term Sheet, as set out in Schedule 5 to the Restructuring Support Agreement, is available for download at <https://sites.dfkingltd.com/E-House>.



## Undertakings of the Consenting Creditors

Any Consenting Creditors must perform its obligations under the Restructuring Support Agreement, including but not limited to, the following:

- (1) Each Consenting Creditor irrevocably undertakes in favor of the Company and the Subsidiary Guarantors that it shall (or, as applicable, will procure that a duly authorized representative, proxy or nominee will) perform all actions requested by the Company and/or the Subsidiary Guarantors 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:
  - (a) agree to waive the requirements of section 4.06 (Limitation on Restricted Payments) of each of the Old Notes Indentures to allow the Company to enter into the Share Subscription Agreement and consummate the transactions thereunder (as set out in the Term Sheet);
  - (b) agree, in good faith, the Scheme Document and any and all other documents required to implement the Restructuring, such that they are consistent in all material respects with the terms set out in the Term Sheet;
  - (c) facilitate that the Scheme Effective Date occurs and the Restructuring is fully implemented on or before the Longstop Date;
  - (d) take all such actions as are necessary to:
    - (i) cause its Account Holder to submit to the Information Agent a duly completed Account Holder Letter in respect of the outstanding principal amount of the Old Notes in which it holds a direct or beneficial interest as principal by no later than the Record Time;
    - (ii) attend the Cayman Scheme Meeting and the HK Scheme Meeting either in person or by proxy; and
    - (iii) vote, execute and/or deliver within any applicable time periods any proxies, instructions, directions or consents in respect of all Old Notes in which it holds a direct or beneficial interest as principal, including (without limitation) to vote in favor of the Cayman Scheme and the HK Scheme in respect of the aggregate outstanding principal amount of all Old Notes in which it holds a direct or beneficial interest as principal at the Record Time (as set out in its Account Holder Letter) at the Cayman Scheme Meeting and the HK Scheme Meeting, respectively;
  - (e) support and assist (at the Company's cost) with any Recognition Filing (as defined in the Restructuring Support Agreement) as requested by the Company;

- (f) provide support and assistance to the Company and the Subsidiary Guarantors (at the Company's cost) to prevent the occurrence of an Insolvency Proceeding (as defined in the Restructuring Support Agreement) in respect of the Company, the Subsidiary Guarantors or any of its Subsidiaries, including, without limitation, supporting any application, filing and/or petition to the courts of any jurisdiction in connection with the same, including (but not limited to) filing any evidence in support of the Company's opposition to a creditor seeking to commence any adverse action;
  - (g) to the extent any Insolvency Event (as defined in the Restructuring Support Agreement) occurs in respect of any member of the Group, to use reasonable endeavors to implement the Restructuring through the relevant Insolvency Proceedings and ensure that the Restructuring is recognized in all relevant jurisdictions; and
  - (h) provide confirmation to any other party that it supports the Restructuring.
- (2) Each Consenting Creditor irrevocably undertakes in favor of the Company and the Subsidiary Guarantors that it shall NOT:
- (a) take, commence or continue any Enforcement Action (as defined in the Restructuring Support Agreement), whether directly or indirectly, to delay the Scheme Effective Date, interfere with the implementation of the Restructuring, the Cayman Scheme or the HK Scheme or the consummation of the transactions contemplated thereby;
  - (b) 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, except to the extent that such Scheme Document is materially inconsistent with the terms as set out in the Term Sheet;
  - (c) take, encourage, assist or support (or procure that any other person takes, encourages, assists or supports) any action which would, or would reasonably be expected to, frustrate, delay, impede or prevent the Cayman Scheme, the HK Scheme or the Restructuring or which is inconsistent with the Restructuring Support Agreement or the Term Sheet, including (without limitation):
    - (i) proposing or supporting any alternative proposal or offer from any person or entity in respect of the Restructuring other than those contemplated by the Term Sheet or to otherwise engage in any such discussions or take any action which would delay or impede any approvals for the Restructuring; or
    - (ii) voting (or directing any proxy appointed by it to vote) any of the Old Notes 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 would breach or be inconsistent with the Restructuring Support Agreement, the Cayman Scheme, the HK Scheme or the Restructuring; or
    - (iii) Transfer (as defined below) or agree to Transfer any Restricted Notes or any other Notes in which a Consenting Creditor has a direct or beneficial interest as principal (including, without limitation, any Old Notes purchased or otherwise acquired by a Consenting Creditor after the date of the Restructuring Support Agreement or any Accession Deed in relation to it) unless in accordance with the terms of the Restructuring Support Agreement.

## Undertakings of the Company and Subsidiary Guarantors

Each of the Company and the Subsidiary Guarantors undertakes in favor of the Consenting Creditors 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 the Instruction Fee:
  - (a) in accordance with Clause 4 (*Instruction Fee*) of the Restructuring Support Agreement; and
  - (b) free and clear of and without any deduction or withholding for or on account of tax unless it is required to make such a deduction or withholding, in which case the Instruction Fee payable shall be increased to the extent necessary to ensure that each Consenting Creditor receives a sum net of any deduction or withholding equal to the sum which it would have received had no such deduction or withholding been made or required to be made;
- (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 and the Term Sheet;
- (3) provide the Scheme Document and any and all other documents required to implement the Restructuring such that they are consistent in all material respects with the terms as set out in the Term Sheet;
- (4) upon the Scheme Documents being agreed, 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) prior to the Record Time, cancel or procure the cancellation of any Old Notes that it or any other member of the Group has a direct or beneficial interest in or which it or any other member of the Group has redeemed, converted, acquired or purchased, and for the avoidance of doubt, any such Old Notes owned by the Group shall not be voted at the Scheme Meetings;
- (9) 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 and the Term Sheet;



- (10) keep the Consenting Creditors reasonably informed in relation to the status and progress of the Restructuring; and
- (11) notify the Consenting Creditors:
- (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 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;
- in each case promptly upon becoming aware of the same.

### **Instruction Fee**

The Instruction Fee and the specific terms and conditions that apply under the Restructuring Support Agreement to govern the entitlement to the Instruction Fee are summarized at a high level in the following paragraphs. For further details on the Instruction Fee, see clause 4 (*Instruction Fee*) of the Restructuring Support Agreement.

The Instruction Fee with respect to each Eligible Creditor shall be an amount equal to (or, at our sole discretion, any amount greater than) 0.25% of the aggregate outstanding principal amount of the Eligible Notes plus accrued and unpaid interest on the Eligible Notes to (but excluding) 30 June 2023, where:

- (1) an “**Eligible Creditor**” is a Consenting Creditor which:
- (a) has prior to the RSA Expiration Deadline, acceded to the Restructuring Support Agreement by delivering a duly executed Accession Deed and Initial Restricted Notes Notice in accordance with the Restructuring Support Agreement as well as submit a valid Electronic Consent Instruction to the relevant Clearing System;
  - (b) has voted in favor of the Cayman Scheme at the Cayman Scheme Meeting and the HK Scheme at the HK Scheme Meeting in accordance with the terms of the Restructuring Support Agreement and the Scheme Document;
  - (c) still holds the Eligible Notes at the Record Time and has not effected, or purported to effect, a Transfer of any Notes after the RSA Expiration Deadline, except for any Transfers made in accordance with the Restructuring Support Agreement; and
  - (d) has not exercised any right to terminate the Restructuring Support Agreement and has not breached any provision of the Restructuring Support Agreement in any material respect; and
- (2) “**Eligible Notes**” means, with respect to an Eligible Creditor, the lower of the aggregate outstanding principal amount of its Restricted Notes which are also set out in its Account Holder Letter and voted in favor of the Cayman Scheme and the HK Scheme by such Eligible Creditor.

- (3) The Accession Deed and Restricted Notes Notice must be delivered electronically via <https://sites.dfkingltd.com/E-House> during the period beginning 11 April 2023 to the RSA Expiration Deadline.
- (4) A Consenting Creditor must deliver a Consent by submitting a valid Electronic Consent Instruction to the relevant Clearing System in accordance with the requirements of the relevant clearing system. To deliver Consents by Electronic Consent Instruction, a Consenting Creditor should either (i) contact Euroclear or Clearstream for participation procedures and deadlines regarding the submission and delivery of Consents; or (ii) request such Consenting Creditor's broker, dealer, commercial bank, trust company or other nominee or custodian to effect the submission of an Electronic Consent Instruction to authorize the delivery of Consents for such Consenting Creditor. Consenting Creditors whose Notes are held on their behalf by a broker, dealer, commercial bank, trust company or other nominee or custodian must contact such entity if such Consenting Creditors desire to accede to the Restructuring Support Agreement. Notwithstanding that the Consents are delivered by each Consent Creditor by means of an Electronic Consent Instruction, each Consenting Creditor thereby agrees that such Electronic Consent Instruction constitutes a written consent to the Restructuring Support Agreement. The receipt of such Electronic Consent Instruction by Euroclear or Clearstream may be acknowledged in accordance with the standard practices of Euroclear or Clearstream. For the avoidance of doubt, any such acknowledgement does not constitute an acceptance of the Consent by or on behalf of the Company.

For the avoidance of doubt, a Consenting Creditor must vote all of the Old Notes then held by it (regardless of whether they fall within the definition of Restricted Notes under the Restructuring Support Agreement) in favor of the Cayman Scheme at the Cayman Scheme Meeting and the HK Scheme at the HK Scheme Meeting in order to be an Eligible Creditor and receive the Instruction Fee. A Consenting Creditor that does not vote all of the Old Notes then held by it in favor of the Cayman Scheme at the Cayman Scheme Meeting and the HK Scheme at HK Scheme Meeting shall not be treated as an Eligible Creditor for the purposes of the Restructuring Support Agreement and shall not be entitled to any Instruction Fee.

### **Accession, Position Disclosure and Transfer and Purchase**

Each Eligible Holder may accede to the Restructuring Support Agreement as a Consenting Creditor by submitting a properly completed and executed Accession Deed and an initial Restricted Notes Notice to the Information Agent. Upon such submission, the Consenting Creditor shall henceforth be a party to the Restructuring Support Agreement and be bound by, and entitled to enforce, the terms of the Restructuring Support Agreement as if they were an original party to the same in the capacity of a Consenting Creditor.

The executed Accession Deed and Restricted Notes Notice must be delivered electronically via <https://sites.dfkingltd.com/E-House> during the period beginning 11 April 2023 to the RSA Expiration Deadline.

Consenting Creditors are required to notify the Information Agent of any change (whether an increase or decrease) to its holdings of Old Notes as soon as reasonably practicable, and in any event within five (5) Business Days from the date of such change, by submitting a properly completed and executed Restricted Notes Notice to the Information Agent and submit a relevant Electronic Consent Instruction through the relevant Clearing System with respect to any additional Notes.

From the date of the Restructuring Support Agreement until its termination, any transfer or disposal of all or any part of any Old Notes in which a Consenting Creditor has a direct or beneficial interest (including, without limitation, any Old Notes acquired by a Consenting Creditor after the date of the Restructuring Support Agreement or any Accession Deed in relation to it) or any other transaction of a similar or equivalent economic effect (a “**Transfer**”) shall only be effective if, among other things:

- (1) the relevant transferee either (i) is, at the time of such Transfer, already a Consenting Creditor; or (ii) has first agreed to be bound by the terms of the Restructuring Support Agreement as a Consenting Creditor by acceding to the Restructuring Support Agreement through execution of the Accession Deed; and
- (2) the transferor and transferee provide (i) written notice of the Transfer by submitting a properly completed and executed Transfer Notice and (ii) a new custody instruction reference number obtained from the relevant Clearing System, in each case, to the Information Agent on or before the proposed effective date of the Transfer.

Any Transfer by a Consenting Creditor in breach of the above paragraph shall be deemed void.

Each Accession Deed, and Restricted Notes Notice must be accessed and submitted electronically to the Information Agent as an online form at <https://sites.dfkingltd.com/E-House>. The Transfer Notice will be made available on <https://sites.dfkingltd.com/E-House> and if applicable or required, any Transfer Notice would need to be submitted to the Information Agent via email to [E-House@dfkingltd.com](mailto:E-House@dfkingltd.com). If you require assistance with this process, please contact the Information Agent at [E-House@dfkingltd.com](mailto:E-House@dfkingltd.com).

**PLEASE NOTE: The Accession Deed and Restricted Notes Notice must be delivered electronically via the Transaction Website at <https://sites.dfkingltd.com/E-House>. The procedure and forms for delivering the Accession Deed and Restricted Notes Notice will be made available via the Transaction Website beginning on 11 April 2023. Holders of the Old Notes must also deliver a Consent by submitting a valid Electronic Consent Instruction to the relevant Clearing System in accordance with the requirements of the relevant Clearing System. Consents may be delivered via the relevant Clearing System beginning on 3 April 2023.**

If any Consenting Creditor purports to Transfer its Restricted Notes other than in accordance with the requirements of the Restructuring Support Agreement, then that Consenting Creditor shall remain liable as a Consenting Creditor in respect of its obligations and liabilities under the Restructuring Support Agreement, in respect of the relevant Restricted Notes.

## **Termination**

- (1) The Restructuring Support Agreement and the rights and obligations created pursuant to the Restructuring Support Agreement shall terminate automatically and immediately on the earliest to occur of any of the following:
  - (a) the commencement of any Insolvency Event (other than the Cayman Scheme, the HK Scheme or any Recognition Filing) 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 may be terminated:
- (a) by mutual written agreement of the Company and the Super Majority Consenting Creditors;
  - (b) at the election of the Super Majority Consenting Creditors, by and upon a written notice of termination to the Company (which shall notify the other parties to the Restructuring Support Agreement), following the occurrence of any of the following:
    - (i) the Company and the Subsidiary Guarantors proposing a Cayman Scheme or a HK Scheme that is materially inconsistent with the terms as set out in the Term Sheet;
    - (ii) 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;
    - (iii) if the Company or the Subsidiary Guarantors do not comply with any undertaking in the Restructuring Support Agreement 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 Super Majority Consenting Creditors 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 a Consenting Creditor, at the election of the Company (in its sole and absolute discretion) by the delivery of a written notice of termination by the Company to a Consenting Creditor if that Consenting Creditor does not comply with any undertaking in the Restructuring Support Agreement 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 Company to the relevant Consenting Creditor. In such circumstances the termination shall take effect from immediately after the ten (10) Business Days, but only if the failure to comply is not remedied within the ten (10) Business Days; or
- (d) at the written election of the Company (in its sole and absolute discretion), 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.

### **Amendment and Waiver**

Subject to the next three paragraphs and as described in the Restructuring Support Agreement, the Restructuring Support Agreement may be amended or waived in writing by the Majority Consenting Creditors and the Company and such amendment or waiver shall be binding on all parties to the Restructuring Support Agreement.

Subject to the next two paragraph, any term of the Restructuring as set out in the Term Sheet, may only be amended or waived by each of the Super Majority Consenting Creditors and the Company, in each case each acting reasonably.

Subject to the next paragraph, the Company (acting in its sole discretion) may amend, waive or modify the terms of the Restructuring Support Agreement (including any terms of any schedule hereto), among other things, at its sole discretion (but without any obligation to do so) and without the consent of any Consenting Creditors, in any manner that is not materially adverse to the interests of the Consenting Creditors.

An amendment or waiver which would amend the definitions of “Majority Consenting Creditors” or “Super Majority Consenting Creditors,” may only be made in writing by the Company and each Consenting Creditor.

### **Longstop Date**

The Longstop Date on which the Restructuring Support Agreement will automatically terminate is the date falling six months after (and excluding) the date of 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.

### **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) the 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) the 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, wilful default and wilful misconduct).

### **Restructuring Consideration**

If the New Schemes are sanctioned by the relevant court and become effective, the Restructuring Consideration for the participating Scheme Creditors 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.

### **The Restructuring**

#### ***The Restructuring Support Agreement (CB)***

In order to implement the New Schemes, on 2 April 2023, the Company, the CB Holder, the Subsidiary Guarantors and the Information Agent entered into the Restructuring Support Agreement (CB) in relation to the Restructuring, pursuant to the Restructuring Support Agreement (CB), 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.

Please refer to the Announcements for details of the Restructuring Support Agreement (CB).

## ***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 2022 Notes Indenture and the 2023 Notes Indenture, respectively, and (ii) the Company paying the TM Home Minority Shareholder, on the First Completion Date, an amount of US\$1,275,000 as incentive fee, 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.

## ***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 relevant 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. The 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 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 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.

## **FURTHER DETAILS**

The Company has appointed China International Capital Corporation Hong Kong Securities Limited as the Financial Advisor for the Invitation for Irrevocable Restructuring Support, and D.F. King Ltd. as the Information Agent with respect to the Invitation for Irrevocable Restructuring Support. This announcement and all documents related to the Invitation for Irrevocable Restructuring Support can be found on the Transaction Website: <https://sites.dfkingltd.com/E-House>. Requests for copies of this announcement and related documents may be directed to the Information Agent at the address and telephone number as set forth below.

The Company is commencing and intends to pursue, in a timely manner, a transparent dialogue with the holders of the Old Notes and the Company's other financial creditors, with a view to identifying and implementing a consensual resolution that appropriately takes into consideration the positions of all stakeholders. The Company will make timely updates to the market on the progress of these efforts.

Holders of the Old Notes requiring further information in connection with the Old Notes may contact the Company's Financial Advisor and the Information Agent at:

### **SCHEME CREDITORS OTHER THAN BLOCKED SCHEME CREDITORS REQUIRING ASSISTANCE SHOULD CONTACT:**

#### **D.F. King Ltd.**

Telephone: in Hong Kong +852 5803 0895; in London: +44 20 8089 2616;

Email: [E-House@dfkingltd.com](mailto:E-House@dfkingltd.com)

Transaction Website: <https://sites.dfkingltd.com/E-House>

### **ANY BLOCKED SCHEME CREDITORS REQUIRING ASSISTANCE SHOULD CONTACT:**

#### **China International Capital Corporation Hong Kong Securities Limited ("CICC")**

[E-House@cicc.com.cn](mailto:E-House@cicc.com.cn)

#### **E-House (China) Enterprise Holdings Limited**

Email: [ir@ehousechina.com](mailto:ir@ehousechina.com)

**PLEASE NOTE: Only Scheme Creditors who are not Blocked Scheme Creditors can participate in the Invitation for Irrevocable Restructuring Support. Accordingly, Blocked Scheme Creditors are not permitted to execute and deliver the Accession Deed to the Restructuring Support Agreement in accordance with the procedures described in this announcement and the Restructuring Support Agreement.**

## **FORWARD-LOOKING STATEMENTS**

Forward-looking statements in this announcement are based on current expectations, assumptions, estimates and projections about the Company. These statements are not guarantees of future performance and that the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Important factors that could cause those differences include, but are not limited to, changes in the competitive environment and regulatory environment of the industry in the PRC relevant to the business of the Company, changes in the business and financial condition of the Company and its subsidiaries and changes in the general economic trend in the PRC.

## 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
“2022 Notes Indenture”	the indenture dated as of 18 October 2019 governing the 2022 Notes among the Issuer, the subsidiary guarantors named therein and The Hongkong and Shanghai Banking Corporation Limited, as trustee, as amended and supplemented from time to time
“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
“2023 Notes Indenture”	the indenture dated as of 10 December 2020 governing the 2023 Notes among the Issuer, the subsidiary guarantors named therein and The Hongkong and Shanghai Banking Corporation Limited, as trustee, as amended and supplemented from time to time
“Accession Deed”	the accession deed to the Restructuring Support Agreement pursuant to which a person becomes a party as a Consenting Creditor in the form set out in Schedule 3 to the Restructuring Support Agreement and which will in practice be accessed and submitted electronically via <a href="https://sites.dfkingltd.com/E-House">https://sites.dfkingltd.com/E-House</a>
“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)
“Business Day”	any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, the People’s Republic of China, Hong Kong or Cayman Islands are authorized or required by law or governmental regulation to close



“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 under Section 86 of the Companies Law between the Issuer and the Scheme Creditors for the purpose of implementing the Restructuring, as contemplated under the Term Sheet and this Agreement
“Cayman Scheme Meeting”	a meeting of the Scheme Creditors in relation to the Cayman Scheme as convened by order of the Cayman Court for the purpose of considering and, if thought fit, approving the Cayman Scheme, and any adjournment thereof
“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
“Clearstream”	Clearstream Banking S.A.
“Clearing Systems”	Euroclear Bank SA/NV and Clearstream Banking S.A., each a “Clearing System”
“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
“Company Shareholders”	the shareholders of the Company
“Companies Ordinance”	the Companies Ordinance (Cap 622 of the laws of Hong Kong) as applicable in Hong Kong
“Consent”	an instruction to accede to the Restructuring Agreement delivered via the relevant Clearing System
“Consenting Creditor(s)”	a person holding a direct or beneficial interest as principal in the Old Notes who has agreed to be bound by the terms of the Restructuring Support Agreement

“Convertible Note”	the HK\$1,031,900,000 2.0% convertible note due 4 November 2023 issued by the Company on November 4, 2020, to the CB Holder and guaranteed by the Subsidiary Guarantors, as amended and supplemented from time to time
“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 director(s) of the Company
“Electronic Consent Instruction”	an authenticated SWIFT message or instructions delivered in accordance with the processes in place at the relevant Clearing System, in each case, to authorize the delivery of a Consent to accede to the Restructuring Support Agreement
“Euroclear”	Euroclear Bank SA/NV
“First SSA Completion”	the completion of the issuance and subscription of the First Subscription Shares 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 First SSA Completion Date pursuant to the Share Subscription Agreement
“Financial Advisor”	China International Capital Corporation Hong Kong Securities Limited
“Group”	the Company and its subsidiaries
“High Court Order”	an office copy of the order of the High Court sanctioning the HK Scheme
“Holder(s)”	holders of the Old Notes
“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

“HK Scheme”	the scheme of arrangement proposed to be effected pursuant to section 86 of 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 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
“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
“Information Agent”	D.F. King Ltd., or any other person appointed by the Company to act as information agent in connection with the Cayman Scheme and the HK Scheme
“Insolvency Event”	a court of competent jurisdiction granting an order to commence any insolvency proceedings as defined in the Restructuring Support Agreement
“Invitation for Irrevocable Restructuring Support”	the Invitation for Irrevocable Restructuring Support from the Company for the submission from Eligible Holders of a duly executed Accession Deed and Restricted Notes Notice to the Restructuring Support Agreement to support the Restructuring of the Company
“Irrevocable Restructuring Support”	the submission from the Eligible Holders of a duly executed Accession Deed and Restricted Notes Notice to the Restructuring Support Agreement to support the Restructuring of the Company
“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
“Majority Consenting Creditors”	means, at any time, Consenting Creditors who hold an aggregate outstanding principal amount of more than 50% of the outstanding principal amount of the Old Notes held in aggregate by the Consenting Creditors at the time
“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 potential scheme of arrangement with holders of the Old Notes and the Convertible Notes, which contains 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”	collectively, the Issuer and the Subsidiary Guarantors; and “Obligor” means any one of them
“Old Notes”	the 2022 Notes and the 2023 Notes
“Old Notes Indentures”	the 2022 Notes Indenture and the 2023 Notes Indenture
“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
“Regulation S”	Regulation S under the U.S. Securities Act
“Restricted Notes”	with respect to a Consenting Creditor at any time, the aggregate outstanding principal amount of Old Notes (a) held by such Consenting Creditor and (b) set out in the Restricted Notes Notice then most recently delivered by that Consenting Creditor to the Information Agent in accordance with the Restructuring Support Agreement
“Restricted Notes Notice”	a notice substantially in the form set out in Schedule 3 to the Restructuring Support Agreement, which will in practice be accessed and submitted electronically via <a href="https://sites.dfkingltd.com/E-House">https://sites.dfkingltd.com/E-House</a>

“Restructuring Support Agreement (CB)”	the restructuring support agreement, dated 2 April 2023, entered into by the Company, the CB Holder and D.F. King Ltd. in relation to the New Schemes
“Restructuring Support Agreement”	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
“Restructuring”	the restructuring of the indebtedness of the Obligors in respect of the Old Notes and the Convertible Note, 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
“RSA Expiration Deadline”	the earlier of the time of expiry of the invitation to accede to the Restructuring Support Agreement, being 4:00 p.m., London time, on 28 April 2023 unless otherwise extended or earlier terminated in accordance with the terms of the Restructuring Support Agreement
“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”	creditors of the Company whose claims against the Obligors are (or will be) the subject of the Cayman Scheme and the HK Scheme
“Scheme Document”	the composite scheme document 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 Registra
“Scheme Meetings”	the Cayman Scheme Meeting and the HK Scheme Meeting
“Second SSA Completion”	the completion of the issuance and subscription of the Second Subscription Shares 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 Second SSA Completion Date 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
“SPA Completion”	completion of the Sale and Purchase Agreement
“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
“Super Majority Consenting Creditors”	means, at any time, Consenting Creditors who hold (beneficially, as principal) an aggregate outstanding principal amount of the Old Notes of more than 75% of the outstanding principal amount of the Old Notes held in aggregate by all Consenting Creditors, at that time
“Term Sheet”	a copy of the term sheet, as set out in Schedule 5 to the Restructuring Support Agreement, is available for download at <a href="https://sites.dfkingltd.com/E-House">https://sites.dfkingltd.com/E-House</a>
“TM Home”	TM Home Limited, a company incorporated in the Cayman Islands with limited liability and a subsidiary of the Company
“TM Home Licensing Agreement”	the TM Home Licensing Agreement entered into by and between Alibaba Singapore Holding Private Limited and WFOE on 1 September 2021
“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
“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 Limited, which is in turn 70.23% owned by the Company

“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
“Transaction Website”	<a href="https://sites.dfkingltd.com/E-House">https://sites.dfkingltd.com/E-House</a>
“Transfer Notice”	a notice substantially in the form set out in Schedule 4 to the Restructuring Support Agreement, which will in practice be accessed and submitted to the Information Agent via email to E-House@dfkingltd.com

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 Directors, 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 Directors.*