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## INSIDE INFORMATION

### FURTHER INFORMATION UPDATE ON 15 SINO-OCEAN 05 CORPORATE BONDS OF A SUBSIDIARY

(Stock code: 03377)

(Debt stock codes: 5782, 5869, 5276, 5623, 40115, 40670, 40760, 5202)

This announcement is made by Sino-Ocean Group Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) and Rule 37.47B(a) 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 under 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 13 October 2023 in relation to the "15 Sino-Ocean 05" Corporate Bonds issued by SOG China, a wholly-owned subsidiary of the Company (the "**Announcement**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board hereby informs the Shareholders, holders of debt securities of the Group and potential investors of the following updates on the Corporate Bonds:

#### **SUPPLEMENTARY PROVISIONAL PROPOSAL**

As mentioned in the Announcement, the First Meeting of the Holders of the Corporate Bonds was to be convened by SOG China on 18 October 2023 for considering the resolutions to be proposed at the First Meeting of the Holders of the Corporate Bonds.

The Board hereby informs the Shareholders, holders of debt securities of the Group and potential investors that SOG China put forward two provisional proposals on 16 October 2023 for consideration at the First Meeting of the Holders of the Corporate Bonds. Details are set out as follows:

**(1) Exemption of deadline for the notice of the First Meeting of the Holders of the Corporate Bonds and the restrictions and deadline for the person making provisional proposals**

**(i) *Time of convening the First Meeting of the Holders of the Corporate Bonds and exemption of deadline for the notice/supplemental notice of the meeting of the holders of the Corporate Bonds***

According to the relevant provisions of the rules for the meetings of the holders of the Corporate Bonds, a notice of a meeting of the holders of the Corporate Bonds shall be given at least 10 working days prior to the convening of a meeting to all holders of the Corporate Bonds and the relevant attendees, and the meeting convenor of the Corporate Bonds may give a supplemental notice in respect of the notice of a meeting as announced by way of an announcement, provided that the supplemental notice shall be given 3 working days prior to the day on which the meeting of the holders of the Corporate Bonds is to be convened and that the supplemental notice of a meeting of the holders of the Corporate Bonds shall be announced on the website of The Shanghai Stock Exchange or by the means approved by The Shanghai Stock Exchange.

In order to further protect the rights and interests of the holders of the Corporate Bonds and optimise the process of convening the First Meeting of the Holders of the Corporate Bonds, and having taken into consideration the relevant actual circumstances, SOG China considered that the Corporate Bonds required the urgent convening of a meeting of the holders of the Corporate Bonds, and proposed to waive the obligation to give notice of the First Meeting of the Holders of the Corporate Bonds of SOG China 10 trading days in advance, and the obligation to give a supplemental notice in respect thereof 3 trading days in advance as well as the relevant legal liabilities, and determined that the notice of the First Meeting of the Holders of the Corporate Bonds was issued on 9 October 2023 and the First Meeting of the Holders of the Corporate Bonds was to be convened by way of a correspondence poll from 9:00 a.m. on 18 October 2023, i.e., the First Meeting of the Holders of the Corporate Bonds would not be subject to the aforementioned provision on the date of notice.

**(ii) *Exemption of restrictions on the person making provisional proposals***

According to the relevant provisions of the rules for the meetings of the holders of the Corporate Bonds, the matters proposed to be considered at the meetings of the holders of the Corporate Bonds are decided by the convenor according to the relevant provisions of the rules for the meetings of the holders of the Corporate Bonds; the issuer which is not the convenor of such meeting of the holders of the Corporate Bonds, the trustee manager and the holders of the Corporate Bonds who individually and/or collectively represent more than 10% of the Corporate Bonds with voting rights may submit to the convenor in writing provisional proposal(s) upon the issuance of notice of a meeting of the holders of the Corporate Bonds.

In order to protect the interests of the holders of the Corporate Bonds, optimise the process of convening the First Meeting of the Holders of the Corporate Bonds, and having taken into consideration the actual circumstances of SOG China, it is proposed to waive the restrictions that the meeting convenor shall not be the person making provisional proposals for the First Meeting of the Holders of the Corporate Bonds, i.e. the issuer as the convenor of the First Meeting of the Holders of the Corporate Bonds may put forward provisional proposals.

***(iii) Exemption of requirements on the deadline for the provisional proposal submission and announcement***

According to the relevant provisions of the rules for the meetings of the holders of the Corporate Bonds, where a provisional proposal is to be put forward prior to the convening of a meeting of the holders of the Corporate Bonds, the proposing person(s) shall put forward such provisional proposal at least 6 working days prior to the date of the meeting or prior to a date required by the stock exchange on which the Corporate Bonds are listed, and submit the provisional proposal with complete contents to the convenor, who shall issue a supplementary notice of a meeting of the holders of the Corporate Bonds on the website of The Shanghai Stock Exchange or by the means approved by The Shanghai Stock Exchange and make an announcement on the contents of the provisional proposal within 3 working days from the date of receipt of the provisional proposal.

In order to protect the interests of the holders of the Corporate Bonds and optimise the process of convening the First Meeting of the Holders of the Corporate Bonds, and having taken into consideration the actual circumstances of SOG China, it is proposed that the covenant and the relevant legal liabilities in respect of the deadline for the provisional proposal submission and announcement for the First Meeting of the Holders of the Corporate Bonds be waived, i.e. agreeing that the person making provisional proposal(s) shall submit the provisional proposal(s) with complete contents to the convenor no later than 12:00 midnight on 16 October 2023 and the convenor shall issue a supplementary notice of the meeting of the holders of the Corporate Bonds on or before 16 October 2023.

If this resolution is passed by the First Meeting of the Holders of the Corporate Bonds, it will be deemed as an effective exemption of restrictions and covenants regarding convening and notice procedures and the aforesaid deadlines, among others, relating to the aforementioned meeting. The resolutions adopted at the meeting are valid and legally binding on all holders of the Corporate Bonds.

**(2) Adding the grace period and providing credit enhancement measures for the repayment of interest of the Corporate Bonds**

**(i) *The arrangement for adding the grace period for the repayment of interest of the Corporate Bonds***

In accordance with the covenants on the repayment of interest as specified in the Prospectus for Public Offering of the Corporate Bonds, the interest of the Corporate Bonds is payable annually and the principal thereof is payable at maturity in one lump sum. Interest is payable once annually and the last interest payment shall be made together with the principal payment. The 19th day of October of every year from 2016 to 2025 is the interest payment date for the preceding interest accrual year. In case of statutory holidays or rest days, it will be postponed to the first trading day thereafter; no additional interest will be accrued for the repayment during the postponed period.

In light of the current operation conditions of SOG China, in order to push forward the payment of interest of the Corporate Bonds steadily, SOG China seeks the consent of the holders of the Corporate Bonds for adding the grace period for the repayment of interest of the Corporate Bonds in the following manner, provided that the coupon rate of the Corporate Bonds shall remain unchanged:

If this resolution is passed by the First Meeting of the Holders of the Corporate Bonds, the time of repayment of interest of the Corporate Bonds accrued during the period from 19 October 2022 to 18 October 2023 will be extended to on or before 19 December 2023 as the date of completion of payment.

**(ii) *Adding the credit enhancement protection measures for the Corporate Bonds***

In light of the current operation conditions of SOG China, in order to protect the interests of the holders of the Corporate Bonds and push forward the payment of interest of the Corporate Bonds steadily, SOG China undertakes to add credit enhancement protection measures with respect to the Corporate Bonds as follows:

If this resolution is passed at the First Meeting of the Holders of the Corporate Bonds, SOG China undertakes that it will provide a pledge guarantee for the Corporate Bonds with shareholder receivables of RMB150 million of Zhongshan City Pahat Trading Co., Ltd.\* (中山市哈特貿易有限公司) and sign the legally valid credit enhancement document(s) and contract(s) by 19 December 2023 (inclusive). The aforesaid credit enhancement protection measures for pledge are applicable to the sum of all outstanding principal and interest repayments, default payments (if applicable) and other amounts of the Corporate Bonds, and the scope of the guarantee covers the principal, interest payable by SOG China and the default interest, damages, penalties, handling fees, liquidated damages, and all charges in realising creditors' rights and rights on guarantees to be borne by SOG China due to SOG China's default (if any) under the Corporate Bonds. The guarantee period is up to the date on which SOG China's repayment obligations under the Corporate Bonds have been fully discharged, or the date on which the holders of the Corporate Bonds have realised all of the pledge rights under the pledge guarantee contract.

Zhongshan City Pahat Trading Co., Ltd. is a limited liability company established on 8 June 2004, whose registered address is at Building 1, Tianxi Sunshine Garden (Phase 1), No. 8 Tianxi Road, Shenwan Town, Zhongshan City (中山市神灣鎮天熹路8號天熹陽光花園(1期)1卡). The legal representative is Huang Huahong (黃華洪) and its registered capital is RMB80 million, with a paid-up capital of RMB80 million. Currently, SOG China indirectly and beneficially holds 75% equity interests of Zhongshan City Pahat Trading Co., Ltd.. Zhongshan City Pahat Trading Co., Ltd. is mainly engaged in the sales of the following: building materials, hardware, clothing, electric bicycles, motorcycles, pig iron (no store, storage and sample display); import and export of goods; property investment and property development (business projects that are subject to approval as stipulated by laws, regulations and decisions of the State Council shall be operated with approval documents and certificates).

If this resolution is passed by the First Meeting of the Holders of the Corporate Bonds, it will be legally binding on all holders of the Corporate Bonds. A grace period will be added for the repayment of interest of the Corporate Bonds accrued during the period from 19 October 2022 to 18 October 2023 and credit enhancement protection measures will be added, without triggering the default provisions as stipulated in the Prospectus for Public Offering of the Corporate Bonds. For the avoidance of doubt, no default interest will be imposed during the postponed repayment period for the interest of the Corporate Bonds, no default payment, overdue interest and default interest, among others, will be set up or incurred separately, and interest will continue to be payable at the coupon rate of the Corporate Bonds.

#### **UNDERTAKING NOT TO EVADE AND REVOKE DEBTS**

In order to protect the legitimate rights and interests of the holders of the Corporate Bonds, SOG China undertakes that it will not evade and revoke debts in respect of the Corporate Bonds. In the event that it is anticipated that it will not be able to repay the principal and/or interest of the Corporate Bonds as scheduled, or it will fail to repay the principal and/or interest of the Corporate Bonds as scheduled when they become due, it will formulate a reasonable debt repayment plan and proposal in a timely manner for the consideration of the holders of the Corporate Bonds, and will strictly implement and enforce the debt repayment plan.

#### **EXTENSION OF THE VOTING DEADLINE FOR THE FIRST MEETING OF THE HOLDERS OF THE CORPORATE BONDS**

The Board hereby informs the Shareholders, holders of debt securities of the Group and potential investors that in order to allow sufficient time for consideration and decision-making by the holders of the Corporate Bonds, SOG China now extends the voting deadline for the First Meeting of the Holders of the Corporate Bonds from 10:00 p.m. on 18 October 2023 to 12:00 noon on 19 October 2023.

Further information of the Corporate Bonds is published on the website of The Shanghai Stock Exchange (<http://www.sse.com.cn>).

Further announcement(s) will be made by the Company as and when required in accordance with the relevant rules and regulations.

**The matters to be considered at the First Meeting of the Holders of the Corporate Bonds will be subject to the approval by the holders of the Corporate Bonds. Shareholders, holders of debt securities of the Group and potential investors are advised (i) not to rely solely on the information contained in this announcement and (ii) to exercise caution when dealing in the securities of the Company. When in doubt, Shareholders, holders of debt securities of the Group and potential investors are advised to seek professional advice from professional or financial advisers.**

By order of the Board  
**Sino-Ocean Group Holding Limited**  
**SUM Pui Ying**  
*Company Secretary*

Hong Kong, 17 October 2023

*As at the date of this announcement, the Board comprises Mr. LI Ming, Mr. WANG Honghui, Mr. CUI Hongjie and Ms. CHAI Juan as executive directors; Mr. ZHAO Peng, Mr. ZHANG Zhongdang, Mr. YU Zhiqiang and Mr. SUN Jinfeng as non-executive directors; and Mr. HAN Xiaojing, Mr. JIN Qingjun, Mr. LYU Hongbin, Mr. LIU Jingwei and Mr. JIANG Qi as independent non-executive directors.*

\* *For identification purposes only*