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SINO-OCEAN GROUP HOLDING LIMITED

遠洋集團控股有限公司

(incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)

(Stock code: 03377)

Sino-Ocean Land Treasure Finance I Limited

遠洋地產寶財I有限公司

Sino-Ocean Land Treasure Finance II Limited

遠洋地產寶財II有限公司

Sino-Ocean Land Treasure III Limited

遠洋地產寶財III有限公司

Sino-Ocean Land Treasure IV Limited

遠洋地產寶財IV有限公司

(incorporated in the British Virgin Islands with limited liability)

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

(the "Offshore USD Securities")

INSIDE INFORMATION

(1) SIGNIFICANT PROGRESS ON HOLISTIC DEBT MANAGEMENT ARRANGEMENT

(2) WINDING-UP PETITION

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), Rule 13.25(1)(b), Rule 37.47A, Rule 37.47B(a) and Rule 37.47E(c) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (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).

(1) SIGNIFICANT PROGRESS ON HOLISTIC DEBT MANAGEMENT ARRANGEMENT

The Company is pleased to update the market that significant progress has been made to formulate a holistic solution to its current offshore liquidity situation. The Company is now at an advanced stage of discussion with the co-ordination committee of lenders of the existing syndicated loans of the Group (the "**CoCom**") and expects that an agreement on the principal terms of the holistic debt management arrangement will be reached in due course. Further announcement will be made as and when appropriate.

The Company encourages all stakeholders to maintain their confidence and support in the Company's efforts to promote an offshore restructuring solution that maximizes value preservation and protects the interests of all stakeholders.

(2) WINDING-UP PETITION

On 27 June 2024, the Company received a winding-up petition (the "**Petition**") filed by The Bank of New York Mellon, London Branch (the "**Petitioner**") at the High Court of the Hong Kong Special Administrative Region (the "**High Court**") in relation to the non-repayment of the 3.25% guaranteed notes due 2026 issued by Sino-Ocean Land Treasure IV Limited 遠洋地產寶財IV有限公司 (a wholly-owned subsidiary of the Company) and guaranteed by the Company (debt stock code: 40670) in the aggregate principal amount of US\$400 million and accrued interests.

Effects of the Petition

Pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the "**Companies (WUMP) Ordinance**"), in the event that the Company is ultimately wound up as a result of the Petition, any disposition of the property directly owned by the Company (for the avoidance of doubt, excluding the property of the subsidiaries of the Company (such as, but not limited to, assets owned by the subsidiaries of the Company in the People's Republic of China)), any transfer of shares of the Company, or alteration in the status of the members of the Company, made after the commencement date of the winding up which is 27 June 2024 when the Petition was filed (the "**Commencement Date**"), will be void unless a validation order is obtained from the High Court. Any disposition of the property, transfer or alteration made on or after the Commencement Date will not be affected if the Petition is subsequently struck out, dismissed or permanently stayed.

The Company will oppose the Petition vigorously. However, given the effect of section 182 of the Companies (WUMP) Ordinance, the board of directors of the Company (the "**Board**") wishes to remind the shareholders and potential investors of the Company that, the transfer of the shares in the Company made on or after the Commencement Date would be void without a validation order from the High Court in the event that the Company is ultimately wound up. Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited ("**HKSCC**") in relation to the transfer of the shares of listed issuers after a winding up petition has been presented, in view of these restrictions and the uncertainties that may arise in relation to the transfer of shares, for participant(s) who conduct share transfers through HKSCC (the "**Participant(s)**"), HKSCC may at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System ("**CCASS**") to temporarily suspend any of its services in respect of shares of the Company. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet re-registered in HKSCC Nominees Limited's name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the Petition has been struck-out, dismissed or permanently stayed, or the Company has obtained the necessary validation order from the High Court.

The filing of the Petition does not represent the successful winding up of the Company by the Petitioner. No winding-up order has been granted by the High Court to wind up the Company as at the date of this announcement. The Company does not believe that the Petition will have a meaningful impact on the Company's operations or the formulation of a holistic debt management arrangement at this stage.

As at the date of this announcement, the Company is working closely with its financial and legal advisers and in discussions with its creditors with a view of formulating a holistic debt management arrangement. Therefore, the Company currently has no intention to apply for a validation order from the High Court for the transfer of shares in the Company. The Company will consider if it is necessary to apply to the High Court for a validation order at a later stage after taking into account the progress of its holistic debt management arrangement.

Actions to be taken by the Company

The Board is of the view that the Petition does not represent the interests of other stakeholders and may impair the value of the Company. Therefore, the Company will seek legal measures to resolutely oppose the Petition, and take all necessary actions to protect its legal rights. Meanwhile, the Company will endeavor to keep active and good communication with the Petitioner, and, adhering to the principle of fairness to other creditors, to negotiate with the Petitioner amicably and properly handle related matters (including making efforts to procure the withdrawal or dismissal of the Petition as soon as possible). The Company is committed to treating all creditors fairly by respecting their existing legal standing and inter-creditor legal priorities in repayment. In addition, the Company will firmly safeguard the interests of investors, insist on high-quality delivery, and continuously improve its sustainable operation capabilities.

The Company believes that it will be in the interest of all creditors concerned to engage in the holistic debt management arrangement and would like to express its gratitude to the CoCom for its support and engagement with the Company in such ongoing process. The Company believes that the CoCom will continue to support the Company in pursuing its holistic debt management arrangement (including supporting the Company in defending the Petition). The Group will continue to engage in discussions with its creditors and other stakeholders and work with its advisers on the preparation work to facilitate the formulation of a practicable restructuring proposal for the Group's offshore debts.

The Company will keep its shareholders and investors informed of any significant development in relation to the Petition, and make further announcement(s) as and when appropriate.

CONTINUED SUSPENSION OF TRADING IN OFFSHORE USD SECURITIES

At the request of the relevant issuers of the Offshore USD Securities, the trading in the Offshore USD Securities on the Stock Exchange has been suspended with effect from 9:00 a.m. on 15 September 2023, and will remain suspended until further notice(s).

Transfer of shares of the Company may be restricted as the deposits of shares of the Company into CCASS may be suspended due to the Petition against the Company. Holders of the Company's securities and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

The implementation of any holistic debt management arrangement with respect to the offshore debt will be subject to many factors beyond the control of the Company. As there is no assurance that any holistic solution will be successfully implemented, holders of securities of the Company and other investors of the Company are (i) advised not to rely solely on the information contained in this announcement or any other announcements as may be issued by the Company from time to time; and (ii) advised to consider the relevant risks and exercise caution when dealing in the securities of the Company. When in doubt, shareholders of the Company, holders of debt securities of the Group and potential investors are advised to seek professional advice from professional or financial advisors.

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

Hong Kong, 28 June 2024

As at the date of this announcement, the board of directors of the Company 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.

As at the date of this announcement, the board of directors of each of Sino-Ocean Land Treasure Finance I Limited, Sino-Ocean Land Treasure Finance II Limited, Sino-Ocean Land Treasure III Limited and Sino-Ocean Land Treasure IV Limited comprises Mr. LI Ming and Mr. YANG Leyu.