

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.

Neither this announcement nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or 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. No securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. 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, its management, as well as financial statements. The Company does not intend to make any public offering of securities in the United States.

SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

**(1) SIGNIFICANT PROGRESS OF
OFFSHORE DEBT RESTRUCTURING:
ENTRY INTO RSA WITH
THE INITIAL CONSENTING CREDITORS; AND
(2) INVITATION TO OTHER CREDITORS TO ACCEDE TO RSA**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated 10 January 2025 and 24 March 2025 concerning, among other things, the status of certain offshore debts of the Company.

I. UPDATE ON THE OFFSHORE DEBT RESTRUCTURING

The Group would like to provide an update to the market on the significant progress made regarding the restructuring of its offshore debt.

1. Significant Progress of the Restructuring

In light of the impact of the winding-up petition filed against the Company in January 2025, and the fact that current industry conditions have significantly fallen short of expectations at the time when the previous offshore debt restructuring plan was formulated, the Company, over the past few months, has maintained constructive dialogue with offshore creditors. These discussions aim to formulate a viable holistic offshore debt solution to completely address the offshore debt risks, establishing a sustainable capital structure and stable operating environment to support its long-term business recovery.

The Company is pleased to announce that, on 17 April 2025, it reached agreement with certain major creditors in respect of the offshore debt restructuring plan, the terms of which are set out in the RSA. Initial Consenting Creditors holding approximately US\$1.3 billion in aggregate principal amount of debt have signed the RSA. In addition, the Company is aware that creditors holding more than US\$1 billion in aggregate principal amount of debt have expressed support to the restructuring plan in principle and are in the process of completing the necessary procedures to accede to the RSA. The aforementioned creditors (including the Initial Consenting Creditors) in aggregate hold approximately 26% of the total principal amount of the Existing Debt.

This contemplated restructuring plan aims to provide a fair and equitable solution that maximizes recovery for creditors, while preserving the Group's ability to operate as a going concern and creating a win-win outcome for all stakeholders. Specifically, the restructuring plan will (a) provide participating creditors with the opportunity to convert their debt into equity, allowing them to benefit from near-term liquidity and potential equity upside; (b) completely address the Group's offshore debt risks and establish a sustainable capital structure. The implementation of the Shareholding Structure Stability Arrangement and the ESOP is expected to further reinforce stakeholder confidence, thereby supporting future project delivery, debt risk resolution, assets revitalization, and long-term business recovery.

Broad-based support from creditors is required to facilitate a successful offshore Restructuring, and the Company sincerely asks all existing creditors who have not signed the RSA to accede to the RSA as soon as possible.

2. Key Features of the Restructuring

The scope of the Restructuring includes offshore debts issued or guaranteed by the Company, with debt claims (including principal and accrued and unpaid interest, but excluding default interest) of approximately US\$9.55 billion in aggregate as of 30 June 2025. The Restructuring will involve release of the Company's indebtedness as well as certain obligations of other entities in the Group, details of which are set out in the Term Sheet.

Restructuring consideration – Mandatory Convertible Bonds

In consideration for the cancellation of the Existing Debt and the release of the relevant claims in connection with the Existing Debt, subject to the arrangement set out in the paragraph headed “Shareholding Structure Stability Arrangement” below, two series of New MCBs will be distributed to the Scheme Creditors, as follows:

1. New MCB 1:

The holders of the New MCB 1 may deliver conversion notices to convert their New MCB 1 into ordinary shares of the Company after the Restructuring Effective Date at HK\$6.80 per share.

The New MCB 1 will be mandatorily converted into ordinary shares of the Company on the maturity date (being the date falling 6 months after the Restructuring Effective Date).

2. New MCB 2:

The holders of the New MCB 2 may deliver conversion notices to convert their New MCB 2 into ordinary shares of the Company starting from the date falling 18 months after the earlier of 31 December 2025 and the Restructuring Effective Date at HK\$3.85 per share, unless the Company otherwise decides to open the conversion window earlier.

The New MCB 2 will be mandatorily converted into ordinary shares of the Company on the maturity date (being the date falling 30 months after the earlier of 31 December 2025 and the Restructuring Effective Date).

Subject to the terms of the Term Sheet, Scheme Creditors may elect to receive New MCB 1, New MCB 2, or a combination of New MCB 1 and New MCB 2:

- (i) Option 1 (Default Option): New MCB 1; and/or
- (ii) Option 2: New MCB 2, where the total elections by the Scheme Creditors shall be no more than 25% of all the claims (the “**Cap**”).

If Scheme Creditors’ elections for New MCB 2 exceed the Cap, then:

- (i) New MCB 2 will be issued on the Restructuring Effective Date in an aggregate principal amount equal to the Cap; and
- (ii) Scheme Creditors who elected to receive New MCB 2 shall be issued New MCB 2 pro rata based on the portion of their claims which was elected to receive New MCB 2, with New MCB 1 issued to such Scheme Creditors in respect of any remaining claims elected to receive New MCB 2.

Approximately 23% of the abovementioned New MCBs (comprising the New MCB 1 and the New MCB 2) received by the Scheme Creditors will be used for the following Shareholding Structure Stability Arrangement.

Shareholding Structure Stability Arrangement

To 1) maintain a stable shareholding structure, 2) ensure the continued contribution of the Substantial Shareholder (i.e. Mr. Sun Hongbin) to the Group’s ongoing home delivery program, debt risk resolution and long-term business recovery, and 3) strengthen stakeholder confidence and facilitate resource integration, certain Initial Consenting Creditors have suggested allocating conditional Restricted Shares (as defined below) to the Substantial Shareholder as part of the Restructuring. This would enable the Substantial Shareholder to retain a certain level of voting rights. Specifically, for every US\$100 in principal amount of New MCBs attributable to the Scheme Creditors, approximately US\$23 out of those New MCBs will instead be issued to the Substantial Shareholder or his designated person(s). Upon satisfaction of the vesting conditions, the Shares converted from such New MCBs (the “**Restricted Shares**”) will vest with the Substantial Shareholder or his designated person(s). The Substantial Shareholder’s rights in respect of such Restricted Shares will be limited primarily to voting rights and will be subject to restrictions on disposal, encumbrance or transfer for a period of 6 years from the Restructuring Effective Date, unless and until certain restrictive conditions are satisfied.

Employee Stock Ownership Plan

Over the past three years, the Group has taken various measures including significant workforce downsizing and salary reduction to control its operating expenses. However, prolonged market downturn and severe funding constraints has led to a shortfall in staff remuneration. While the Group has been able to maintain overall team stability, prolonged work pressures coupled with remuneration issues during this special period has resulted in increasing attrition among key personnel. A stable, dedicated and capable workforce, who continues to contribute and add value, is essential to support the Group's continued efforts in guaranteed home delivery, debt risk resolution, asset revitalization, long-term business recovery, and financial performance. Given the urgent need to stabilize the workforce, and the ongoing uncertainty and shortage of funds to support staff remuneration, as suggested by certain Initial Consenting Creditors, the Group intends to formulate an ESOP. Under this plan, the Group intends to grant Shares to its selected key employees as a long-term supplementary form of remuneration by way of issuing new Shares in accordance with the Listing Rules. The maximum number of shares to be issued under the ESOP will be no more than 7% of the fully diluted share capital (assuming the conversion of all the New MCBs into Shares and the issuance of Shares to such employees). Such Shares will be issued to a designated account and, after the Restructuring Effective Date, granted annually by the Board to selected key employees (currently estimated to be approximately 500 individuals), based on their contribution to the Group's core business activities. The new Shares will be subject to a vesting period of no less than 5 years, and will be fully vested in no less than 8 years. In each year following the Restructuring Effective Date, the maximum number of new Shares granted by the Company to selected key employees shall not exceed 20% of the total ESOP provided that any unused quota may be carried forward to the next year. The Shares received by employees may not be sold within 18 months after the Restructuring Effective Date.

3. The RSA

Under the RSA, among other things:

- (a) the Company undertakes to use reasonable endeavours to procure that the Scheme Effective Date occurs and the Restructuring is fully implemented on or before 31 December 2025 and, in any event, by the Longstop Date;
- (b) each Consenting Creditor (on behalf of itself or, where such Consenting Creditor is an investment manager, on behalf of funds or accounts managed or advised by it) undertakes in favour of the Company that it will:
 - (i) take all such actions as are necessary to vote in favour of the Scheme in respect of the aggregate outstanding principal amount of all Existing Debt in which it, or a fund managed or advised by it, holds a legal interest or a beneficial interest as principal at the Record Time at the Scheme Meeting;

- (ii) not take, commence or continue any enforcement action that may interfere with the implementation of the Restructuring and/or the Scheme, or the consummation of the Restructuring contemplated thereby (unless such enforcement action is approved by the Company in accordance with the terms of the RSA); and
- (iii) support any actions taken by the Company and any other obligors under the Existing Debt to obtain recognition or protection of the Restructuring in any relevant court of any competent jurisdiction and take all other commercially reasonable actions requested by the Company to implement or protect the Restructuring in accordance with the terms of the RSA.

The RSA will terminate automatically and immediately on the earliest to occur of any of the following:

- (a) the Scheme not being finally approved by the requisite majorities of Scheme Creditors at the Scheme Meeting;
- (b) the court not granting a sanction order at the sanction hearing and the Company has exhausted all avenues of appeal;
- (c) the Restructuring Effective Date occurs; and
- (d) the Longstop Date.

The RSA may also be terminated under other circumstances set out in the RSA.

Early Consent Fee or Base Consent Fee

A Consenting Creditor who validly holds Eligible Restricted Debt as of the Early Consent Fee Deadline (currently scheduled at 5:00 p.m. Hong Kong time on 23 May 2025) and still holds all or part of such Eligible Restricted Debt at the Record Time will, subject to the terms of the RSA, receive an Early Consent Fee in an amount equal to 1.0% of the aggregate principal amount of the Eligible Restricted Debt held by such Consenting Creditor as of the Early Consent Fee Deadline.

A Consenting Creditor who validly holds Eligible Restricted Debt as of the Base Consent Fee Deadline (currently scheduled at 5:00 p.m. Hong Kong time on 6 June 2025) and still holds all or part of such Eligible Restricted Debt at the Record Time will, subject to the terms of the RSA, receive a Base Consent Fee in an amount equal to 0.5% of the aggregate principal amount of the Eligible Restricted Debt held by such Consenting Creditor as of the Base Consent Fee Deadline.

For the avoidance of doubt, the entitlement to Early Consent Fee and Base Consent Fee are mutually exclusive for the same principal amount of the Eligible Restricted Debt. A Consenting Creditor in respect of Eligible Restricted Debt may only receive either an Early Consent Fee or a Base Consent Fee in respect of that Eligible Restricted Debt.

The Early Consent Fee and the Base Consent Fee shall be payable in the form of the New MCB 1 at face value on or prior to the Restructuring Effective Date, provided that the Consenting Creditor, among other things:

- (a) holds or has acquired its Eligible Restricted Debt in compliance with the relevant provisions of the RSA;
- (b) votes the aggregate amount of the Existing Debt held by it at the Record Time in favour of the Scheme at the Scheme Meeting (whether in person or by proxy); and
- (c) has not exercised its rights to terminate the RSA and has not breached any of the relevant terms and conditions of the RSA in any material respect.

The Consent Fee is not subject to the aforementioned Shareholding Structure Stability Arrangement.

Invitation to Creditors to Accede to the RSA

The Company sincerely asks all existing creditors who have not signed the RSA to review the RSA and to accede to the RSA as an Additional Consenting Creditor as soon as possible. Creditors can accede to the RSA by delivering to the Information Agent a validly completed and executed Accession Letter and a valid Evidence of Holding via the Accession Portal (detailed below) in respect of all of its Existing Debt prior to the Early Consent Fee Deadline, and in any event no later than the Base Consent Fee Deadline.

The Information Agent operates a website for the purposes of the Restructuring (the “**Scheme Website**”). The RSA is available on the Scheme Website for Scheme Creditors to download and consider.

The Information Agent will collect, via the Accession Portal and Transfer Portal, Accession Letters, valid Evidence of Holding and/or Transfer Notices (as applicable) from Scheme Creditors. Scheme Creditors can direct questions regarding the accession process to the Information Agent.

The Information Agent can be contacted using the below details:

Sodali & Co Ltd

Scheme Website (document posting website): <https://projects.sodali.com/sunac>

Accession Portal: <https://portal.sodali.com/sunacRSA>

Transfer Portal: <https://portal.sodali.com/sunacTRANSFER>

Email: sunac@investor.sodali.com

Tel: +44 20 7382 0355; +852 2632 9739

Address (Hong Kong): 29/F, No. 28 Stanley Street, Central, Hong Kong

Address (London): Sodali & Co, The Leadenhall Building, 122 Leadenhall Street,
London EC3V 4AB, United Kingdom

Attention: Debt Services Team

II. IMPLEMENTATION AND NEXT STEPS

1. Implementation of the Restructuring

The Restructuring is expected to be implemented through one or more Scheme(s) in Hong Kong and other applicable jurisdictions (as necessary). A scheme of arrangement is a statutory mechanism whereby a relevant court sanctions a “compromise or arrangement” put forward by a company, where such compromise or arrangement has been approved by requisite statutory majorities of creditors voting at a duly convened meeting of relevant creditors. A scheme of arrangement is not an insolvency process. The Company expects to commence the process for implementing the Restructuring and the Scheme on terms set forth in the RSA as soon as possible.

2. Request for Information

Any requests for information can be directed to the Information Agent using the details above, or to the Company’s financial and legal advisors:

Houlihan Lokey (China) Limited, as Restructuring Financial Advisor to the Company

Suite 1903–1907, Two International Finance Centre, 8 Finance Street, Central, Hong Kong

Email: Sunac@HL.com

Sidley Austin, as Restructuring Legal Advisor to the Company

39/F, Two International Finance Centre

No. 8 Finance Street, Central, Hong Kong

Email: Sidleyprojectcz@Sidley.com

The implementation of the Restructuring and the transactions thereunder are subject to the approval of the Scheme Creditors, the Company’s shareholders and the relevant court. The Company expects to commence the process for implementing the Restructuring and the Scheme on terms set forth in the RSA as soon as possible and will make further announcement(s) in due course to provide further updates on the Restructuring and other related matters.

III. DEFINITIONS

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

“Accession Letter”	a deed pursuant to which a person becomes a party to the RSA as an Additional Consenting Creditor, in the form set out in the RSA
“Additional Consenting Creditor”	a person holding a legal interest or a beneficial interest as principal in the Existing Debt who has agreed to be bound by the terms of the RSA by delivering to the Information Agent a validly completed and executed Accession Letter and a valid Evidence of Holding via the Accession Portal in respect of all of its Existing Debt
“Base Consent Fee”	with respect to each Consenting Creditor, subject to and in accordance with the terms of the RSA, an amount equal to 0.5% of the aggregate principal amount of Eligible Restricted Debt held by such Consenting Creditor as of the Base Consent Fee Deadline, payable in the form of New MCB 1 at face value
“Base Consent Fee Deadline”	5:00 p.m. (Hong Kong time) on 6 June 2025
“Board”	board of directors of the Company
“Company”	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 01918)
“Consent Fee”	the Early Consent Fee or the Base Consent Fee (as the case may be)
“Consenting Creditor”	a person, on behalf of itself or, where such Consenting Creditor is an investment manager, on behalf of funds or accounts managed or advised by it, holding a legal interest or a beneficial interest as principal in the Existing Debt who has agreed to be bound by the terms of the RSA as a Consenting Creditor in accordance with the terms of the RSA, including the Initial Consenting Creditors and the Additional Consenting Creditors

“Early Consent Fee”	with respect to each Consenting Creditor, subject to and in accordance with the terms of the RSA, an amount equal to 1.0% of the aggregate principal amount of Eligible Restricted Debt held by such Consenting Creditor as of the Early Consent Fee Deadline, payable in the form of New MCB 1 at face value
“Early Consent Fee Deadline”	5:00 p.m. (Hong Kong time) on 23 May 2025
“Eligible Restricted Debt”	Restricted Debt which was made subject to the RSA by a Consenting Creditor on or prior to the Base Consent Fee Deadline
“Evidence of Holding”	Evidence of holding can, subject to the Information Agent’s confirmation, include a custody statement, screenshot of holdings, or scanned copy of a portfolio report dated no more than 3 months prior to the date of the Accession Letter and that includes the following information: (i) ISIN/security description; (ii) name of beneficial owner of the relevant Existing Debt; and (iii) amount of position held
“Existing Debt”	the Company’s existing senior notes, bonds and other financing instruments or debts in the principal amount of approximately US\$876.7 million plus any outstanding accrued and unpaid interest (but excluding default interest) and fees and charges payable in relation to the Existing Debts
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Information Agent”	Sodali & Co Ltd, or any other person appointed by the Company to act as information agent in connection with the Scheme and the RSA
“Initial Consenting Creditors”	certain offshore creditors who have executed the RSA as at the date of this announcement and who are Consenting Creditors

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	31 March 2026 or such later date and time as the Company may elect to extend to, with the prior written consent of the Initial Consenting Creditors or the requisite majority of the Consenting Creditors
“New MCBs”	new zero-coupon mandatory convertible bonds of the Company which may be issued to the Scheme Creditors as restructuring consideration, details of which are set out in the Term Sheet, comprising the New MCB 1 and the New MCB 2
“New MCB 1”	new zero-coupon mandatory convertible bonds of the Company which may be issued to the Scheme Creditors as restructuring consideration, details of which are set out in the Term Sheet
“New MCB 2”	new zero-coupon mandatory convertible bonds of the Company which may be issued to the Scheme Creditors as restructuring consideration, details of which are set out in the Term Sheet
“Record Time”	the time designated by the Company for the determination of claims of Scheme Creditors for the purposes of voting at the Scheme Meeting
“Restricted Debt”	with respect to a Consenting Creditor at any time, the aggregate outstanding principal amount of Existing Debt set out in a notice in the form set out in the RSA then most recently delivered by that Consenting Creditor, as modified from time to time by any transfer notices (as applicable) delivered by Consenting Creditors to the Information Agent, subject to evidence satisfactory to the Information Agent having been provided in accordance with the terms of the RSA
“Restructuring”	a consensual restructuring of the offshore indebtedness of the Company, to be conducted materially in the manner envisaged by, and materially 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”	the restructuring support agreement dated 17 April 2025 entered into by, among others, the Company and Initial Consenting Creditors
“Scheme”	the scheme(s) of arrangement proposed to be effected between the Company and the Scheme Creditors for the purpose of implementing the Restructuring, as contemplated under the RSA and the Term Sheet
“Scheme Creditors”	creditors or debt holders of the Company, whose claims against the Company and any other obligors under the Existing Debt are or will be the subject of the Scheme
“Scheme Effective Date”	the date on which the sanction order is filed with the registrar of companies in the relevant jurisdiction of the Scheme at which time the Scheme shall become effective in accordance with its terms
“Scheme Meeting”	the meeting or meetings of the Scheme Creditors for the purposes of voting on, and if thought fit to approve, the Scheme, which will be convened pursuant to an order of the court (and any adjournment of such meeting)
“Shares”	shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	Mr. Sun Hongbin. As at the date of this announcement, Mr. Sun Hongbin directly or indirectly controls, through certain corporations and his individual, an aggregate of approximately 25.59% of the Shares
“Term Sheet”	the term sheet setting out the commercial terms for the Restructuring appended at the Appendix to this announcement

“Transfer Notice”

a notice pursuant to which a transferee of the Existing Debt becomes a Consenting Creditor, in the form set out in the RSA

“US\$”

United States dollar, the lawful currency of the United States of America

Holders of securities and potential investors of the Company are advised not to rely solely on the information contained in this announcement and should exercise caution when dealing in the securities of the Company. When in doubt, they are advised to seek professional advice from their own professional or financial advisers.

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 17 April 2025

As at the date of this announcement, the executive directors of the Company are Mr. SUN Hongbin, Mr. WANG Mengde, Ms. MA Zhixia, Mr. TIAN Qiang, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; the non-executive director of the Company is Mr. LAM Wai Hon; and the independent non-executive directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.

APPENDIX
TERM SHEET

Sunac China Holdings Limited

Restructuring Term Sheet (Subject to Contract)

Capitalised terms used but not otherwise defined in this term sheet shall have the meaning given to each such term in a Restructuring Support Agreement (the “**RSA**”) to which this term sheet is appended. This term sheet outlines the principal terms and conditions of the proposed Restructuring (as defined in the RSA). It is not intended to be a comprehensive list of all relevant terms and conditions of the Restructuring or any other transaction in relation to the Existing Debts.

General Information	
Issuer	Sunac China Holdings Limited (1918.HK) (the “ Company ”)
Scheme Creditors, (and each, a Scheme Creditor)	The persons who hold beneficial interests as principal in, or who are the lenders under, the following instruments as at the Record Time (as defined below) for the Scheme(s): (a) the New York law-governed senior notes due 30 September 2025 (the “2025 Notes”) issued by the Company and guaranteed by (i) Sunac Real Estate Investment Holdings Ltd, (ii) Qiwei Real Estate Investment Holdings Ltd., (iii) Ying Zi Real Estate Investment Holdings Ltd, (iv) Jujin Real Estate Investment Holdings Ltd, (v) Jujin Property Investment Holdings Limited, (vi) Ding Sheng Real Estate Investment Holdings Ltd, (vii) Ding Sheng Property Investment Holdings Limited, (viii) Zhuo Yue Real Estate Investment Holdings Limited and (ix) Zhuo Yue Property Investments Holdings Limited (卓越資產投資控股有限公司). (the “Subsidiary Guarantors”) (ISIN: XS2708721233 (Regulation S), XS2708721159 (144A) and XS2708721076 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2025 Notes outstanding is approximately US\$522 million; (b) the New York law-governed senior notes due 30 September 2026 (the “2026 Notes”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708721589 (Regulation S), XS2708721316 (144A) and XS2708721407 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2026 Notes outstanding is approximately US\$524 million; (c) the New York law-governed senior notes due 30 September 2027 (the “2027 Notes”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708721829 (Regulation S), XS2708721662 (144A) and XS2708721746 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2027 Notes outstanding is approximately US\$1,050 million; (d) the New York law-governed senior notes due 30 September 2028 (the “2028 Notes”) issued by the Company

	and guaranteed by the Subsidiary Guarantors (ISIN: XS2708722397 (Regulation S), XS2708722041 (144A) and XS2708722124 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2028 Notes outstanding is approximately US\$1,578 million; (e) the New York law-governed senior notes due 30 September 2029 (the “2029 Notes”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708722637 (Regulation S), XS2708722470 (144A) and XS2708722553 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2029 Notes outstanding is approximately US\$1,582 million; (f) the New York law-governed senior notes due 30 September 2030 (the “2030 Notes”, together with the 2025 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, and the 2029 Notes, the “Existing Senior Notes”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708722983 (Regulation S), XS2708722710 (144A) and XS2708722801 (IAI)). As at the date of the RSA, the aggregate principal amount of the 2030 Notes outstanding is approximately US\$745 million; (g) the Hong Kong law-governed mandatory convertible bonds due 30 September 2028 (the “Existing MCBs”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708724096 (Regulation S), XS2708724179 (144A) and XS2708724419 (IAI)). As at the date of the RSA, the aggregate principal amount of the Existing MCBs outstanding is approximately US\$97 million; (h) the Hong Kong law-governed convertible bonds due 30 September 2032 (the “Convertible Bonds”, together with the Existing Senior Notes and the Existing MCBs, the “Existing Notes”) issued by the Company and guaranteed by the Subsidiary Guarantors (ISIN: XS2708723791 (Regulation S), XS2708723874 (144A) and XS2708723957 (IAI)). As at the date of the RSA, the aggregate principal amount of the Convertible Bonds outstanding is approximately US\$246 million; (i) the Hong Kong law-governed mandatory convertible bonds due 30 September 2028 (the “[Redacted] MCBs”) (Reference Number SIM28USD1600) issued by the Company to [Redacted]. As at the date of the RSA, the aggregate principal amount of the [Redacted] MCBs outstanding is approximately US\$16 million; (j) the Hong Kong law-governed facility due 27 February 2028 (the “Private Debt A”) borrowed by the Company and guaranteed by the Subsidiary Guarantors. As at the date of the RSA, the aggregate principal amount of the Private Debt A outstanding is approximately US\$47 million (Reference Number PDA28USD4700);
--	--

	(k) the Hong Kong law-governed facility due 19 January 2029 (the “Private Debt B”) borrowed by the Company. As at the date of the RSA, the aggregate principal amount of the Private Debt B outstanding is approximately US\$21 million (Reference Number PDB29USD2100); (l) the Hong Kong law-governed facility due 28 February 2027 (the “Private Debt C”, together with Private Debt A and Private Debt B, the “S1 Debts”) borrowed by the Company. As at the date of the RSA, the aggregate principal amount of the Private Debt C outstanding is approximately US\$135 million (Reference Number PDC27USD1350); (m) the Hong Kong law-governed facility due 22 December 2027 (the “Private Debt D”) borrowed by [Redacted] and guaranteed by the Company, [Redacted]. As at the date of the RSA, the outstanding principal amount of the Private Debt D outstanding is approximately US\$114 million (Reference Number PDD27USD1140); (n) the Hong Kong law-governed facility due 1 January 2028 (the “Private Debt E”) borrowed by [Redacted] and guaranteed by the Company, [Redacted]. As at the date of the RSA, the outstanding principal amount of the Private Debt E outstanding is approximately US\$78 million (Reference Number PDE28USD7800); (o) the Hong Kong law-governed facility due 23 September 2026 (the “Private Debt F1”) borrowed by [Redacted] and guaranteed by the Company, [Redacted]. As at the date of the RSA, the outstanding principal amount of the Private Debt F1 outstanding is approximately US\$52 million (Reference Number PDF26USD5200); (p) the Hong Kong law-governed facility due 23 September 2026 (the “Private Debt F2”, together with Private Debt F1, the “Private Debt F”) borrowed by [Redacted], which benefits from the same guarantors as for Private Debt F1. As at the date of the RSA, the outstanding principal amount of the Private Debt F2 outstanding is approximately US\$35 million (Reference Number PDF26USD3500); (q) the Hong Kong law-governed deferred put option liability due 30 November 2030 (the “Private Debt G”) owed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt G outstanding is approximately RMB 498 million (equating to approximately US\$68 million) (Reference Number PDG30RMB4980); (r) the Hong Kong law-governed deferred put option liability due 30 November 2030 (the “Private Debt H”) owed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt H outstanding
--	---

	is approximately RMB 840 million (equating to approximately US\$115 million) (Reference Number PDH30RMB8400); (s) the Hong Kong law-governed facility due 23 March 2023 (the “Private Debt I”, together with Private Debt D, Private Debt E, Private Debt F, Private Debt G, and Private Debt H, the “S2 Debts”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt I outstanding is US\$30 million (Reference Number PDI23USD3000); (t) the Hong Kong law-governed facility due 31 August 2026 (the “Private Debt J”) borrowed by [Redacted] and guaranteed by the Company and the Subsidiary Guarantors. As at the date of the RSA, the outstanding principal amount of the Private Debt J outstanding is approximately RMB 678 million (equating to approximately US\$93 million) (Reference Number PDJ26RMB6780); (u) the Hong Kong law-governed facility due 31 August 2026 (the “Private Debt K”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt K outstanding is approximately US\$138 million (Reference Number PDK26USD1380); (v) the Hong Kong-law governed facility due 30 December 2027 (the “Private Debt L”) borrowed by [Redacted] and guaranteed by the Company and the Subsidiary Guarantors. As at the date of the RSA, the outstanding principal amount of the Private Debt L outstanding is approximately US\$436 million (Reference Number PDL27USD4360); (w) the Hong Kong law-governed facility due 28 December 2026 (the “Private Debt M”) borrowed by [Redacted] and guaranteed by the Company and [Redacted]. As at the date of the RSA, the outstanding principal amount of the Private Debt M outstanding is approximately HK\$998 million (equivalent to approximately US\$128 million) (Reference Number PDM26HKD9980); (x) the Hong Kong law-governed facility due 28 February 2027 (the “Private Debt N”, together with Private Debt J, Private Debt K, Private Debt L, and Private Debt M, the “S3 Debts”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt N outstanding is approximately US\$56 million (Reference Number PDN27USD5600); (y) the PRC law-governed loan due 7 August 2022 (the “Private Debt O”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt O outstanding is approximately RMB2,000 million (equating to approximately US\$274 million) (Reference Number PDO22RMB2000);
--	---

	(z) the PRC law-governed loan due 20 October 2024 (the “Private Debt P”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt P outstanding is approximately RMB3,000 million (equating to approximately US\$411 million) (Reference Number PDP24RMB3000); and (aa) the PRC law-governed loan due 14 November 2024 (the “Private Debt Q”, together with Private Debt O and Private Debt P, the “S4 Debts”; the S4 Debts, together with the S1 Debts, the S2 Debts and the S3 Debts, the “Existing Private Debts”; the Existing Notes, together with the [Redacted] MCBs and Existing Private Debts, the “Existing Debts”) borrowed by [Redacted] and guaranteed by the Company. As at the date of the RSA, the outstanding principal amount of the Private Debt Q outstanding is approximately RMB1,300 million (equating to approximately US\$178 million) (Reference Number PDQ24RMB1300), <i>provided that</i> the Company may, at its election, but in consultation with the Initial Consenting Creditors acting reasonably and in good faith, (i) exclude any of the Existing Private Debts from the Scheme(s), or (ii) include any additional debt in the Scheme(s), or (iii) in respect of the S2 Debts and the S3 Debts, change the classification of an S2 Debt to an S3 Debt and vice versa (which, as further described below, shall affect how the relevant debt shall be released by the Scheme(s)), provided that, in the case of (i), no exclusion shall result in any holder of the relevant Existing Private Debt(s) receiving a more favourable compromise or arrangement (in monetary terms) compared to what it would have received under the Scheme(s). “Record Time” shall be the time designated by the Company for the determination of the Scheme Creditors’ Claims (as defined below) for the purposes of voting at each of the Scheme Meeting(s) (as defined below).
Restructuring of the Existing Debt	
Scheme Creditors’ Claims	In respect of each Scheme Creditor, the sum of: (a) the total outstanding principal amount of the Existing Debt(s) held by that Scheme Creditor as at the Record Time; and (b) all accrued and unpaid interest (except for any default interest) on, and any fees and charges payable under, such Existing Debt(s) of that Scheme Creditor up to (but excluding) the earlier of 30 June 2025 (the “Reference Date”) and the Restructuring Effective Date (as defined below), (the “Scheme Creditor Claim”, and together in aggregate in respect of all Scheme Creditors, the “Scheme Creditors’ Claims”). As of the Reference Date, the total amount of Scheme Creditors’ Claims are estimated at c. US\$9.55 billion, subject to change. If the Restructuring Effective Date occurs, interest on the Existing Debt shall

	stop accruing from the earlier of the Reference Date and the Restructuring Effective Date. On and from the Restructuring Effective Date, the Scheme Creditors shall agree to a full release (on terms and conditions to be agreed with the Initial Consenting Creditors acting reasonably and in good faith and subject to carve-outs for fraud, dishonesty, wilful default and wilful misconduct) of all claims and related claims against: (a) in respect of the Existing Debts other than the S3 Debts and the S4 Debts, the Company, all of the subsidiaries of the Company (including the Subsidiary Guarantors and any other subsidiaries that are the primary obligors, co-guarantors and/or security providers in respect of the Existing Debts other than the S3 Debts and the S4 Debts), the Company's shareholders and each of these parties' respective officers, directors, advisers and representatives under and in connection with the Existing Debts other than the S3 Debts and the S4 Debts; and (b) in respect of the S3 Debts and the S4 Debts, the Company and the Company's shareholders, officers, directors, advisers and representatives under and in connection with the S3 Debts and the S4 Debts, and, in respect of Private Debt J and Private Debt L only, the Subsidiary Guarantors and each of the Subsidiary Guarantors' officers, directors, advisers and representatives under and in connection with Private Debt J and Private Debt L, in each case in exchange for (A) the Restructuring Consideration (as defined below) in accordance with the terms of the Restructuring Documents (as defined in the RSA); and (B) the Company and, in respect of the Existing Debts other than those S3 Debts which have not been guaranteed by the Subsidiary Guarantors (that is, Private Debt K, Private Debt M and Private Debt N) and the S4 Debts, the Subsidiary Guarantors (as applicable), agreeing to fully release (subject to carve-outs for fraud, dishonesty, wilful default and wilful misconduct) all claims (if any) against the Scheme Creditors and their respective officers, directors, representatives and advisors under and in connection with the relevant Existing Debts.
Restructuring Consideration	The Restructuring Consideration for Scheme Creditors will consist of Mandatory Convertible Bonds (the "New MCBs"), namely, New MCB 1 and New MCB 2, in an aggregate principal amount equal to the Scheme Creditors' Claims. Scheme Creditors may elect to receive New MCB 1, New MCB 2, or a combination of New MCB 1 and New MCB 2, subject to adjustment and reallocation as detailed in "Subscription cap on New MCB 2" below. New MCB 1 shall be the default option for those Scheme Creditors who have not made their elections in their submission of claims before the relevant deadline. The Scheme Creditors' receipt of the Restructuring Consideration shall be subject to the arrangement described in the section entitled "Shareholding Structure Stability Arrangement" below.

Subscription cap on New MCB 2	No more than 25% of the Scheme Creditors' Claims of all Scheme Creditors (the "Subscription Cap") may be exchanged into New MCB 2. If the total amount of Scheme Creditors' Claims that were validly elected by Scheme Creditors to receive New MCB 2 (the "Aggregate New MCB 2 Election Amount") exceed the Subscription Cap, then: (a) New MCB 2 will be issued on the RED in an aggregate principal amount equal to the Subscription Cap; and (b) each Scheme Creditor who validly elected to receive New MCB 2 shall be issued on the RED: (i) New MCB 2 in the principal amount of its Pro Rata Share Amount; and (ii) New MCB 1 in an aggregate principal amount equal to its Scheme Creditor Claim less its Pro Rata Share Amount, in each case, subject to the arrangement described in the section entitled "Shareholding Structure Stability Arrangement" below. "Pro Rata Share Amount" means, in respect of a Scheme Creditor, the Subscription Cap <i>multiplied by</i> the quotient of (x) the amount of Scheme Creditor Claim that was validly elected by that Scheme Creditor to receive New MCB 2, and (y) the Aggregate New MCB 2 Election Amount.
Exchange rate	For the calculation of Scheme Creditor Claims. Restructuring Consideration and accession rates to the RSA, US\$1 shall be translated at a fixed rate of: (a) 7.80 Hong Kong dollars; and (b) 7.30 Chinese Yuan (Renminbi / RMB).
Conditions Precedent to Restructuring Effective Date	"Restructuring Effective Date" or "RED" means the day on which the Restructuring shall complete or consummate in accordance with the terms of the Scheme and the Restructuring Documents, and it shall only take place on or after the date on which all the conditions precedent to the Restructuring Effective Date ("Pre-RED Conditions") have been either (A) satisfied; or (B) waived by the Initial Consenting Creditors acting reasonably and in good faith or the Majority Consenting Creditors (as defined in the RSA), as the case may be, including: (a) the obtaining of all relevant approvals or consents for the Restructuring to take effect, including, without limitation, the occurrence of the Scheme Effective Date(s), relevant listing/quotation approvals-in-principle or conditional approvals for the listing of the New MCBs on the Singapore Stock Exchange, The Stock Exchange of Hong Kong Limited (the "SEHK") or another stock exchange with international standing, all necessary approvals for the issuance and conversion of the New MCBs and for the adoption of the Employee Stock Ownership Plan (as defined below) (including listing approval or conditional approval from the SEHK for the Shares (defined below) to be issued upon conversion of the New MCBs and necessary approval(s) from the shareholders of the Company (the "Shareholders") as required for the issuance of the Shares upon conversion of the New MCBs and adoption and implementation of the Employee Stock Ownership Plan), and

	any board approvals of the Company required to consummate the Restructuring; (b) the settlement in full of all of the Company's fees, costs and expenses in respect of the Restructuring, including (but not limited to) professional fees and disbursements of any financial adviser, legal adviser or any other professional adviser and any other professional fees in relation to the Existing Debts, that are payable on or prior to the RED, under contracts or other arrangements entered into by the Company with such financial or legal advisers or other professional parties for their services rendered in relation to the proposed Restructuring; (c) the settlement in full of the Early Consent Fee and Base Consent Fee on or prior to the RED; (d) each Major Restructuring Document being in Agreed Form, and the Company providing drafts of the key terms of the Employee Stock Ownership Plan and the associated deed poll to the Initial Consenting Creditors for their review and comment; (e) compliance by the Company with the terms of this term sheet in respect of any conditions which are required to be completed before RED in all material aspects; (f) the maintenance of the listing status of the Shares (as defined below) on the SEHK; (g) the satisfaction of each of the specific conditions precedent contained in each of the Restructuring Documents (as defined in the RSA); and (h) the Company announcing the date set for the Restructuring Effective Date. The Restructuring Effective Date shall occur within 5 business days of the Pre-RED Conditions (other than limbs (b) and (c) which shall be satisfied on the Restructuring Effective Date) being satisfied or waived, and in any event on or prior to the Longstop Date. "Major Restructuring Documents" means the Scheme Documents, the New MCB Trust Deeds, the Chairman Undertaking (as defined below) and the Account Holder Letter (as defined in the RSA).
Consent Fee	The Early Consent Fee is to be paid on the RED in accordance with the terms of the RSA, in an amount equal to, in respect of each Consenting Creditor so entitled in accordance with the terms of the RSA, 1.0% of the aggregate principal amount of the Eligible Restricted Debt of that Consenting Creditor, i.e. its Restricted Debt which was made subject to the RSA by the Early Consent Fee Deadline. The Base Consent Fee is to be paid on RED in accordance with the terms of the RSA, in an amount equal to, in respect of each Consenting Creditor so entitled in accordance with the terms of the RSA, 0.5% of the aggregate principal amount of the Eligible Restricted Debt of that

	Consenting Creditor, i.e. its Restricted Debt which was made subject to the RSA by the Base Consent Fee Deadline. Consent Fee(s) are to be paid in New MCB 1 at face value. The Early Consent Fee Deadline and the Base Consent Fee Deadline may be extended in accordance with the terms of the RSA. A Scheme Creditor who is eligible to receive the Early Consent Fee in respect of its Eligible Restricted Debt in accordance with the terms of the RSA will not be entitled to receive the Base Consent Fee in respect of that same Eligible Restricted Debt.
Treatment of the Existing Debt	Save as otherwise provided for in this Term Sheet, on the Restructuring Effective Date: (a) in respect of all Existing Debts other than the S3 Debts and the S4 Debts, all such Existing Debts will be exchanged in full for the Restructuring Consideration and, following such exchange, all such Existing Debts shall be cancelled and all guarantees, share charges and other security or credit support (if any) in connection with such Existing Debts will be released; and (b) in respect of the S3 Debts and the S4 Debts, the Company's guarantee of the S3 Debts and the S4 Debts shall be released and, in respect of Private Debt J and Private Debt L, the Subsidiary Guarantors' guarantee of such debts shall also be released (with all other obligations, guarantees (other than the Company's guarantee), share charges and other security (if any) in respect of the S3 Debts and the S4 Debts left intact notwithstanding the Scheme(s)), in all cases, provided that the New MCBs shall be issued to the Scheme Creditors in accordance with the Scheme and become effective in accordance with their terms (as described below). The receipt of Restructuring Consideration by or on behalf of a Scheme Creditor shall be deemed as a full repayment (in the case of all Existing Debts other than the S3 Debts and S4 Debts) or partial repayment (in the case of the S3 Debts and S4 Debts) of that Scheme Creditor's claim against the principal debtor(s) in respect of the Existing Debts (as applicable).
Terms of New MCBs	
Company / Issuer	Sunac China Holdings Limited (1918.HK)
Securities	Mandatory Convertible Bonds convertible into the ordinary shares of the Company listed on the SEHK (the " Shares ")
Security/Guarantee	Guarantees from the Subsidiary Guarantors. Charges over the shares held by the Company or a Subsidiary Guarantor in the Subsidiary Guarantors.
Original Issue Date	The RED
Original Issue Amount	New MCB 1 and New MCB 2 together shall have an aggregate principal amount that is the total amount of all Scheme Creditors' Claims. The allocation of that total amount between New MCB 1 and New MCB 2

	shall be determined by the Scheme Creditors' valid elections, subject to the adjustment and reallocation described in the section entitled "Subscription cap on New MCB 2" above. In respect of New MCB 1, no less than 75% of the Scheme Creditors' Claims. In respect of New MCB 2, no more than 25% of the Scheme Creditors' Claims.
Maturity	In respect of New MCB 1, 6 months from the Original Issue Date, with the outstanding principal amount of the New MCB 1 mandatorily converted into the Shares (at the Conversion Price described below) at maturity. In respect of New MCB 2, 30 months from the earlier of 31 December 2025 (the "Maturity Reference Date") and the Original Issue Date, with the outstanding principal amount of the New MCB 2 mandatorily converted into the Shares (at the Conversion Price described below) at maturity. The New MCBs will be redeemed upon maturity by way of mandatory conversion.
Optional Redemption and Optional Repurchase	The terms of the New MCBs should also provide for the ability of the Company to redeem or repurchase the outstanding New MCBs, through tender offers or other offers of purchases that are made to all holders of the New MCBs (subject to customary exclusions for compliance with the securities laws of relevant jurisdictions), provided that: (a) no open market repurchase of the New MCBs shall be made; and (b) no redemption or repurchase shall be made from, or in respect of any New MCBs held by, the Chairman or any of his Affiliates. Subject to the terms of the New MCBs, on giving not less than 15 business days' notice to all holders of the New MCBs and to the trustee and principal agent (which notice may be given by the Company at any time, but once given shall be irrevocable), the Company may redeem the New MCBs, in whole or in part, on the date specified in the notice and at a redemption price equal to 100% of their outstanding principal amount, provided that no redemption shall be made from, or in respect of any New MCBs held by, the Chairman or any of his Affiliates.
Interest	Nil
Conversion Events/Period	New MCB 1 At any time before the date falling twenty (20) business days prior to the maturity date, any holder of the New MCB 1 may deliver a conversion notice to convert all or part of the New MCB 1 it holds into Shares at the applicable Conversion Price (see below). Subject to the terms and conditions of the New MCB 1, the Company will, not later than the date falling ten (10) business days after the receipt of a duly signed and completed conversion notice by the Company, issue Shares to such holder in the amount that is (x) the aggregate amount of New MCB 1 in

	respect of which that holder has delivered a conversion notice, <i>divided by</i> (y) the applicable Conversion Price. If requested by a holder in its conversion notice and to the extent permitted under the rules and procedures of the Central Clearing and Settlement System of Hong Kong (the “CCASS”) effective from time to time, the Company shall use its best commercial efforts, and take all necessary actions open to it, to procure that the Shares are delivered to the relevant holder through the CCASS for so long as the Shares are listed on the SEHK. Failing that, the Company shall make the relevant share certificate available for collection at the office of the Company’s share registrar in Hong Kong or causing its share registrar to mail such share certificate to the person and at the place specified in the relevant conversion notice. A conversion right may not be exercised in respect of the New MCB 1 where the Company has already exercised its right, by delivering or depositing the relevant redemption / repurchase notice, to redeem or repurchase such New MCB 1 in accordance with the terms and conditions of the New MCB 1, provided that this restriction on exercise of conversion right shall cease to apply if the Company fails to redeem or repurchase such New MCB 1 in accordance with the relevant redemption / repurchase notice. The New MCB 1 outstanding as of the date falling twenty (20) business days prior to the maturity date will be mandatorily converted in full into Shares on the maturity date and at the applicable Conversion Price. New MCB 2 At any time after (and including) the date falling 18 months after the earlier of the Maturity Reference Date and the Original Issue Date of the New MCB 2, and before the date falling twenty (20) business days prior to the maturity date, any holder of the New MCB 2 may deliver a conversion notice to convert all or part of the New MCB 2 it holds into Shares at the applicable Conversion Price. Subject to the terms and conditions of the New MCB 2, the Company will, not later than the date falling ten business days after the receipt of a duly signed and completed conversion notice by the Company, issue Shares to such holder in the amount that is (x) the aggregate amount of New MCB 2 in respect of which that holder has delivered a conversion notice, <i>divided by</i> (y) the applicable Conversion Price. If requested by a holder in its conversion notice and to the extent permitted under the rules and procedures of the CCASS effective from time to time, the Company shall use its best commercial efforts, and take all necessary actions open to it, to procure that the Shares are delivered to the relevant holder through the CCASS for so long as the Shares are listed on the SEHK. Failing that, the Company shall make the relevant share certificate available for collection at the office of the Company’s share registrar in Hong Kong or causing its share registrar to mail such
--	---

	share certificate to the person and at the place specified in the relevant conversion notice. At any time from the Original Issue Date of the New MCB 2 to (and excluding) the date falling 18 months after the earlier of the Maturity Reference Date and the Original Issue Date, the Company may, at its sole discretion and by giving prior notice to all holders of New MCB 2, on one or more occasions, declare that all or up to a specified amount of the New MCB 2 outstanding may be converted into Shares at the option of the holder. A conversion right may not be exercised in respect of the New MCB 2 where the Company has already exercised its right, by delivering or depositing the relevant redemption / repurchase notice, to redeem or repurchase such New MCB 2 in accordance with the terms and conditions of the New MCB 2, provided that this restriction on exercise of conversion right shall cease to apply if the Company fails to redeem or repurchase such New MCB 2 in accordance with the relevant redemption / repurchase notice. The New MCB 2 outstanding as of the date falling twenty (20) business days prior to the maturity date will be mandatorily converted in full into Shares on the maturity date and at the applicable Conversion Price.
Conversion Price	In respect of New MCB 1, the initial conversion price for each of the conversion events shall be HK\$6.80 per Share, subject to adjustments (described below). In respect of New MCB 2, the initial conversion price for each of the conversion events shall be HK\$3.85 per Share, subject to adjustments (described below).
Adjustments to Conversion Price	Subject to the terms of the New MCBs, the conversion price shall be subject to adjustment upon the occurrence of certain adjustment events ("Adjustment Events") which shall be substantially similar to those specified in the Existing MCB Trust Deed, namely: (a) an alteration to the nominal value of the Shares as a result of consolidation, sub-division, redesignation or reclassification; (b) an issue (other than in lieu of cash dividend and other than issue that would amount to capital distribution) of any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account); (c) an issue by way of a scrip dividend where the aggregate value of such issue exceeds the amount of the relevant cash dividend or the relevant part thereof and which would not have constituted a capital distribution; (d) a capital distribution to the Shareholders; (e) an issue of Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at less than 85 per cent. of the current

	market price per Share on the date of the first public announcement of the terms of the issue or grant; (f) an issue of other securities to all or substantially all Shareholders as a class by way of rights, or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any other securities; (g) an issue (otherwise than as mentioned in paragraph (e) above) of any Shares (other than Shares issued on the exercise of conversion rights attaching to the New MCBs) or issue or grant (otherwise than as mentioned in paragraph (e) above) any options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, in each case at a price per Share which is less than 85 per cent. of the current market price on the date of the first public announcement of the terms of such issue; (h) other issues of securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration per Share which is less than 85 per cent. of the current market price on the date of the first public announcement of the terms of issue of such securities; (i) modification of the rights of conversion, exchange or subscription attached to any such securities as are mentioned in paragraph (h) above (other than in accordance with the terms of such securities), so that the consideration per Share is reduced and is less than 85 per cent. of the current market price on the date of announcement of the proposal for such modification; and (j) issues, sale or distribution by the Company or any of its subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) any other company, person or entity of any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them. Notwithstanding anything to the contrary in the terms and conditions of the New MCBs, no adjustment will be made to the Conversion Price under the following circumstances: (i) when Shares, options or other securities are issued, offered, exercised, allotted, appropriated, modified or granted to or for the benefit of employees (including directors) of the Company or any of its subsidiaries pursuant to the Employee Stock Ownership Plan; or (ii) when Shares, options or other securities are issued, offered, exercised, allotted, appropriated, modified or granted to or for the benefit of any Strategic Investor, unless the issue price is below a minimum conversion price of HK\$5 per Share. “Strategic Investor” means any person not being a connected person of the Company at the Company level before entering into any agreement in respect of equity investment in the Company in respect of
--	---

	whom (i) the board of directors of the Company (the “ Board ”) (at a meeting that all the Board members have the opportunity to attend) has made a determination in good faith that such person is likely to develop a material strategic relationship with the Company, including without limitation an acquisition of another entity or assets, in connection with and related to the Company’s present or future business, and its affiliates; and (ii) (A) the Company or its shareholder(s) and such person have entered into a binding agreement in respect of the equity investment or (B) such person has made a general or partial takeover offer.
Covenants and Undertakings	Fundamental covenants and undertakings typical for mandatory convertible bonds (including, without limitation, covenants relating to the maintenance of listing status of the Company’s Shares and ensuring that the Shares are not suspended from trading for more than a certain number of consecutive trading days to be agreed with the Initial Consenting Creditors acting reasonably and in good faith, which in any event shall not be less than 60 consecutive trading days).
Events of Default	Events of Default, being customary Events of Default included for transactions of this type, to be negotiated and agreed with the Initial Consenting Creditors acting reasonably and in good faith in the New MCB Trust Deeds.
Amendments with Consent of the Holders	Any amendments or waivers relating to money terms of conversion in respect of New MCB 1 or New MCB 2 shall only be made or take effect if: (a) approved by at least 66% by value of the votes cast at a validly convened meeting of holders of New MCB 1 or New MCB 2 (as applicable), which is attended by two or more holders representing no less than 66 % of the outstanding principal amount of New MCB 1 or New MCB 2 (as applicable) at the time or (if such meeting is adjourned for lack of quorum) at the adjourned meeting, which is attended by two or more holders representing no less than 33% of the outstanding principal amount of New MCB 1 or New MCB 2 (as applicable) at the time; or (b) approved, by way of a written resolution or electronic consents, signed or otherwise approved by holders of New MCB 1 or New MCB 2 (as applicable) representing no less than 75% of the outstanding principal amount of New MCB 1 or New MCB 2 (as applicable).
Fixed Exchange Rate	On any conversion into Shares, US\$1 in principal amount of New MCBs shall be translated into Hong Kong dollars at a fixed rate of US\$1.00 = HK\$7.80.
Form, Denomination and Registration	The New MCBs will be issued only in fully registered form and each of New MCB 1 and New MCB 2 is expected to be initially represented by a Regulation S Global Certificate, a Rule 144A Global Certificate and an IAI Global Certificate. The minimum denomination of the New MCBs will be US\$1 and integral multiples of US\$1 in excess thereof.

Listing	Application will be made for the listing and quotation of the New MCBs offered hereby on the SGX-ST, the SEHK or another stock exchange with international standing.
Governing Law	The New MCBs and the trust deeds governing the New MCBs (the “ New MCB Trust Deeds ”) will be governed by and will be construed in accordance with the laws of Hong Kong.
Jurisdiction	Hong Kong courts are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the New MCBs and the New MCB Trust Deeds.
Other Arrangements	
Shareholding Structure Stability Arrangement	In order to maintain a stable shareholding structure, the terms of the Restructuring Documents shall require Scheme Creditors to direct that, for every US\$ 100 in principal amount of new MCBs attributable to the Scheme Creditors (other than those attributable to [Redacted]), US\$ 23.0 of those New MCBs will instead be issued to Sun Hongbin (the “Chairman”) or such person(s) designated by the Chairman (the “Designee(s)”), rather than to the Scheme Creditors who would have otherwise been entitled to receive such New MCBs under the provisions of the section entitled “Restructuring Consideration” above. In respect of the conversion shares issuable under such New MCBs issued to the Chairman or his Designee(s), vesting will occur not earlier than the occurrence of the following two (2) trigger events: (1) if the share price of the Company reaches HK\$ 7.4 per share before expiry of a six-year vesting period, or (2) on the date that is the sixth anniversary of the RED, but subject to the condition that the Chairman (or, if the Chairman is restricted by law or by order or directive of a government agency from holding a senior position at the Company, an Affiliate of the Chairman) is employed as chairman, board member and/or another senior managerial position as at that date, except where the Strategic Investor (if any) has required the resignation of the Chairman and his Affiliates as a condition for its equity investment in, or general or partial takeover of, the Company. For the avoidance of doubt, this exception in respect of the Strategic Investor’s requirement of resignation only applies to the condition that the Chairman or his Affiliate remains employed as chairman, board member and/or another senior managerial position, and not with respect to the six year lock-up period. In the event of his death or disability, the shares will vest in his heirs on the date of the sixth anniversary of the RED. In addition, the Chairman or his Designee(s) will not be permitted to sell the New MCBs issued to him or his Designee(s), and will not be permitted to sell the conversion shares issuable under such New MCBs during the period from the RED to the date of the sixth anniversary of the RED unless the closing price of the Shares as quoted on the daily quotation sheet of SEHK on the trading day immediately preceding the sale is not less than HK\$7.4 per Share. The Chairman or his Designee(s) will only be able to exercise voting and dividend rights in respect of the Shares allotted and issued to him or his Designee(s) after conversion of such New MCBs.

	The above restrictions on the disposal of the Chairman's New MCBs and on the vesting and disposal of the conversion shares issuable under such New MCBs shall be contained in a letter of undertaking to be executed by the Chairman in favour of the Company (the "Chairman Undertaking").
Employee Stock Ownership Plan	The Company will adopt a new share scheme (the "Employee Stock Ownership Plan") in accordance with, and subject to the requirements of, the Listing Rules of the SEHK, whereby new Shares will be granted to the directors and employees of the Group and/or their respective associates (the "Participants"), which would provide the Participants with up to, and no more than, such number of Shares (the "Plan Limit") equal to 7% shareholding interest in the Company on a fully diluted basis (assuming conversion of all the New MCBs and after the allotment and issue of such new Shares to the Participants), subject to vesting of all such grants. The Company may grant new Shares to Participants up to 20% of the Plan Limit on or before the first anniversary of RED and an additional 20% of the Plan Limit on or before each anniversary thereafter, provided that any unused quota in the prior period may be carried forward to the subsequent periods. In addition, the Participants will not be permitted to sell any of the new Shares (even after vesting) during the period from the RED to the date that is 18 months after the RED. The above restrictions on the vesting and disposal of the Participants' Shares shall be contained in a deed poll to be executed by the Company.