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CHINA SCE GROUP HOLDINGS LIMITED

中駿集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1966)

(Debt Stock Code: 40590)

(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 China SCE Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rules 13.09(2)(a), 37.47B(a) and 37.47D of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and 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 4 October 2023, 3 November 2023, 19 December 2023, 22 February 2024, 8 April 2024, 12 July 2024, 26 September 2024, 28 November 2024, 28 February 2025 and 30 April 2025. Unless otherwise stated, capitalised terms used in this announcement shall have the same respective meanings as those defined in the announcement of the Company dated 28 November 2024 (the "**Announcement**").

1. SIGNIFICANT PROGRESS OF THE PROPOSED RESTRUCTURING

Since the Announcement, the Company and relevant stakeholders (including the AHG, the lenders of the Existing Loans (as defined below) and their respective advisors) have continued to work together to finalise the principal terms of the Proposed Restructuring, which is intended to allow adequate financial flexibility and liquidity to stabilise the Group's business and to facilitate a sustainable capital structure, while protecting the rights and interests of all stakeholders.

The Company is pleased to announce that, with respect to the Proposed Restructuring, on 26 June 2025, a restructuring support agreement (the "**RSA**") was signed by, among others, the Company and the AHG representing (as at the date of this announcement) approximately 30.56% of the aggregate outstanding principal amount of the Existing Notes, or approximately 24.23% of the principal amount of the In-Scope Debt.

The execution of the RSA by the Company and the AHG represents an important milestone in the progress towards achieving the Proposed Restructuring. The Company would like to invite the remaining offshore creditors, including holders of the Existing Notes and lenders of the Existing Loans, to consider the terms of the Proposed Restructuring and support the implementation of the Proposed Restructuring by acceding to the RSA as soon as possible.

(a) Principal Terms

The principal terms of the Proposed Restructuring are set out in a term sheet appended to the RSA (the "**Term Sheet**") and reflect certain updates from the proposed terms described in the Announcement pursuant to the further discussion with the stakeholders. A copy of the Term Sheet (with sensitive information redacted) is appended to this announcement.

Offshore creditors should refer to this announcement and the Term Sheet with respect to the principal terms of the Proposed Restructuring.

The Proposed Restructuring is expected to deal with the Existing Notes and the Existing Loans (collectively, the "**In-Scope Debt**"). The "**Existing Loans**" are (a) the Hong Kong law-governed facility agreement dated 22 March 2021, entered into by (among others) the Company in respect of HK$351,000,000 and US$342,500,000 dual tranche term loan facilities and (b) the Hong Kong law-governed facility agreement dated 4 July 2023, entered into by (among others) the Company in respect of HK$255,420,000 and US$89,100,000 dual tranche term loan facilities. As at 31 December 2024, the aggregate outstanding principal amount of the In-Scope Debt was approximately US$2,271 million. The outstanding principal amount of the In-Scope Debt held by the Scheme Creditors at the Record Time and accrued but unpaid interest (except for any default interest or other special interests or fees) on such In-Scope Debt up to (and including) 31 December 2024 will be included in the claim calculation for receiving restructuring consideration.

It is expected that the Proposed Restructuring shall be implemented by way of a scheme of arrangement in Hong Kong and/or other applicable jurisdictions (the "**Scheme**").

The Cash Consideration, the Equity Consideration, the New Short Term Notes, the New Medium Term Notes, the New Long Term Notes and the Mandatory Convertible Bonds will be issued and/or distributed to the relevant Scheme Creditors under the Scheme based on their election among three Options for the Restructuring Consideration (subject to allocation, reallocation and adjustments):

(1) Option 1: Cash Consideration and New Short Term Notes;

(2) Option 2: Mandatory Convertible Bonds, Equity Consideration and New Medium Term Notes; and

(3) Option 3: New Long Term Notes.

Each Scheme Creditor may elect for any one or a combination of the three Options. Each of Option 1 and Option 3 is subject to a maximum acceptance amount, and any over-subscribed portion of a Scheme Creditor's claims will be reallocated to Option 2. Any Scheme Creditor that fails to submit its selection of the Options by the stipulated deadline shall be deemed to have selected Option 2. The details of the maximum acceptance amount and allocation mechanism are set out in the Term Sheet.

(b) Summary of the Restructuring Consideration

Cash Consideration

The Cash Consideration will be distributed in cash by installment on the Restructuring Effective Date and on the date falling 18 months after the Restructuring Effective Date as a special distribution on the New Short Term Notes.

Equity Consideration

The Equity Consideration will consist of ordinary shares of the Company and be distributed on the Restructuring Effective Date.

New Notes (New Short Term Notes, New Medium Term Notes and New Long Term Notes)

The New Short Term Notes will be issued on the Restructuring Effective Date, with a tenor of four years and an interest rate of 2.00% per annum. All interest for the first 30 months shall be paid in kind by issuing additional New Short Term Notes of the same series in principal amount equal to such interest. Interest payable after the date that is 30 months after the Original Issue Date shall be paid entirely in cash.

The New Medium Term Notes will be issued on the Restructuring Effective Date, with a tenor of six years and an interest rate of 2.00% per annum. All interest for the first 30 months shall be paid in kind by issuing additional New Medium Term

Notes of the same series in principal amount equal to such interest. Interest payable after the date that is 30 months after the Original Issue Date shall be paid entirely in cash.

The New Long Term Notes will be issued on the Restructuring Effective Date, with a tenor of eight years and an interest rate of 1.00% per annum. All interest for the first 42 months shall be paid in kind by issuing additional New Long Term Notes of the same series in principal amount equal to such interest. Interest payable after the date that is 42 months after the Original Issue Date shall be paid entirely in cash.

Each of the New Notes are subject to mandatory redemption under which certain portions of the principal amount of the New Notes will be redeemed by instalment at a redemption price equal to such principal amount plus accrued and unpaid interest, if any, with any remaining balance of the principal amount plus accrued and unpaid interest to be paid on their maturity date.

The New Notes benefit from certain cash sweep mechanisms and related undertakings, as detailed in the Term Sheet. The cash sweep is funded by 70% of the net proceeds from disposal of certain specified assets of the Group.

The New Notes are guaranteed by the subsidiary guarantors under the Existing Notes and several new subsidiary guarantors which are offshore subsidiaries of the Company (collectively, the "**New Subsidiary Guarantors**"), and are also secured against charges over 100% of the shares of each of the New Subsidiary Guarantors and a charge over the account in relation to the cash sweep (the "**Collateral**").

Application will be made by the Company for the listing and quotation of the New Notes on The Singapore Exchange Securities Trading Limited (the "**SGX**") or another internationally recognised exchange.

Mandatory Convertible Bonds

The Mandatory Convertible Bonds will be issued on the Restructuring Effective Date, with a tenor of 18 months, and bear no interest. The Mandatory Convertible Bonds will be mandatorily converted into shares of the Company by installment in accordance with the Mandatory Conversion Schedule (as defined in the Term Sheet). Notwithstanding the mandatory conversion mechanism, holders of the Mandatory Convertible Bonds may elect to voluntarily convert any portion of the Mandatory Convertible Bonds at any time after the Restructuring Effective Date. The conversion price of the Mandatory Convertible Bonds is set at HK$1.60 per share, subject to potential adjustments. Mandatory conversion shall be suspended automatically upon certain events, as detailed in the Term Sheet.

The Mandatory Convertible Bonds are guaranteed by the New Subsidiary Guarantors and secured against the Collateral.

Application will be made by the Company for the listing and quotation of the Mandatory Convertible Bonds on the SGX or another internationally recognised exchange.

(c) The RSA

The RSA, including the Term Sheet, will be available for access on the Transaction Website at https://clients.dfkingltd.com/chinasce/ from 26 June 2025.

Pursuant to the RSA:

(i) the Company undertakes to, among other things:

(1) perform all actions as are reasonably necessary in order to support, facilitate, implement or otherwise give effect to the Proposed Restructuring as soon as reasonably practicable;

(2) implement the Proposed Restructuring and the Scheme in the manner envisaged by, and materially on the terms and conditions set out in, the RSA and the Term Sheet;

(3) procure that each of the Milestones (as defined in the RSA) is completed by the relevant Milestone Date (as defined in the RSA) or such later deadline as may be agreed in accordance with the RSA;

(4) obtain, using all reasonable endeavours, any necessary regulatory or statutory approval required to permit or facilitate the Proposed Restructuring;

(5) obtain, using all reasonable endeavours, all corporate and regulatory approvals necessary to implement the Proposed Restructuring in the manner envisaged by, and materially on the terms and conditions set out in the RSA, including the Term Sheet; and

(6) continue to operate its business as commercially reasonable in the ordinary course and use commercially reasonable endeavours to preserve assets, business and operations of the Group pending completion of the Proposed Restructuring; and

(ii) each creditor that enters into the RSA (a "**Consenting Creditor**") undertakes, among other things:

(1) to use all commercially reasonable endeavours to perform all actions as are reasonably necessary within its power to take but without incurring any additional liability, at the cost of the Company, in order to support, facilitate, implement or otherwise give effect to the Proposed Restructuring as soon as reasonably practicable;

(2) to vote in favour of the Scheme in respect of the aggregate outstanding principal amount of all Consenting Debt in which it holds a beneficial interest (or, with respect to the Existing Loans, legal and beneficial interest) as principal in accordance with the terms of the RSA;

(3) not to take any actions inconsistent with, or that would, or are intended to, or would be likely to delay approval or confirmation of, the Proposed Restructuring or any of the Restructuring Documents (as defined in the RSA); and

(4) not to take, commence or continue any enforcement action, whether directly or indirectly, to delay the scheme effective dates (as applicable), interfere with the implementation of the Proposed Restructuring and/or the Scheme, or the consummation of the transactions contemplated thereby.

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

(i) the relevant court rejecting, in a final and unappealable decision, the Company's application to convene any Scheme Meeting;

(ii) the Scheme not being finally approved by the requisite majorities of Scheme Creditors at the Scheme Meeting (provided that the Scheme Meeting may be reasonably postponed or reasonably adjourned to a subsequent date in order to obtain the requisite approval) and there being no reasonable prospect of the Proposed Restructuring being effected prior to the Longstop Date;

(iii) the relevant court not granting a sanction order at the sanction hearing and there being no reasonable prospect of the Proposed Restructuring being effected prior to the Longstop Date and the Company has exhausted all avenues of appeal;

(iv) the Restructuring Effective Date; and/or

(v) the Longstop Date.

The RSA may also be terminated by a Consenting Creditor in respect of that Consenting Creditor only, if, among other things, the End Date has occurred. In addition, the RSA may also be terminated under other circumstances as set out in the RSA.

(d) The Consent Fee

Each Consenting Creditor who validly executes or accedes to the RSA and holds the Early Eligible Consenting Debt as at the early consent fee deadline set by the Company (the "**Early Consent Fee Deadline**", being 5:00 p.m. Hong Kong time on 7 August 2025, or such later date as extended, if applicable, in accordance with the RSA), will receive the Early Consent Fee in cash in the amount equal to 0.15% of the aggregate principal amount of the Early Eligible Consenting Debt held by such Consenting Creditor as at the Record Time in accordance with the terms of the RSA.

Each Consenting Creditor who validly executes or accedes to the RSA and holds the Base Eligible Consenting Debt as at the base consent fee deadline set by the Company (the "**Base Consent Fee Deadline**", being 5:00 p.m. Hong Kong time on 21 August 2025, or such later date as extended, if applicable, in accordance with the RSA), will receive the Base Consent Fee in cash in the amount equal to 0.05% of the aggregate principal amount of the Base Eligible Consenting Debt held by such Consenting Creditor as at the Record Time in accordance with the terms of the RSA.

A Scheme Creditor may, subject to the satisfaction of conditions set forth in the RSA and the Term Sheet, receive either the Early Consent Fee or the Base Consent Fee, but not both.

The applicable Consent Fee shall be payable on or prior to the Restructuring Effective Date, provided that the Consenting Creditor, among other things:

(i) holds or has acquired its Eligible Consenting Debt in compliance with the relevant provisions of the RSA;

(ii) votes the entire aggregate amount of its Eligible Consenting Debt held by it at the Record Time in favour of the Scheme at the Scheme Meeting (whether in person or by proxy) in order to receive the applicable Consent Fee; and

(iii) has not exercised its rights to terminate the RSA and has not breached any of the terms and conditions of the RSA in any material respect.

A Consenting Creditor that does not vote (whether by abstaining, voting against or not turning up) the entire aggregate amount of the Eligible Consenting Debt then held by it in favour of the Scheme at the Scheme Meeting (whether in person or by proxy) will not be entitled to any Consent Fee.

2. Invitation to Accede to the RSA

The Company sincerely asks all holders or creditors of the In-Scope Debt 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 Consenting Debt Notice via the Transaction Website (at https://clients.dfkingltd.com/chinasce/) in respect of all of its In-Scope Debt prior to the Early Consent Fee Deadline, and in any event no later than the Base Consent Fee Deadline.

(a) The Information Agent

D.F. King Ltd. (the "**Information Agent**") will be responsible for receipt and processing of Accession Letters, Consenting Debt Notices and Transfer Notices, and overseeing evidence of holdings of the Consenting Creditors in respect of the In-Scope Debt. The Information Agent can be contacted using the below details:

Transaction Website:	https://clients.dfkingltd.com/chinasce/
Email:	chinasce@dfkingltd.com
Telephone:	+852 5808 2134 (Hong Kong) or +44 20 8089 4257 (United Kingdom)
Address:	Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Central (Hong Kong) or 51 Lime Street, London EC3M 7DQ (United Kingdom)
Attention:	Information Agent

(b) Request for information

Any requests for information on the Proposed Restructuring can be directed to the Company's financial advisor:

Haitong International Securities Company Limited

Address:	28/F One International Finance Centre, No. 1 Harbour View Street, Central, Hong Kong
Telephone:	+852 2848 4333
Email:	project.sce@htisec.com

3. Definitions

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

"Accession Letter"	a letter 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 beneficial interest (or, with respect to the Existing Loans, legal and beneficial interest) as principal in the In-Scope Debt who has agreed to be bound by the terms of the RSA as a Consenting Creditor in accordance with the RSA

"Base Consent Fee"	with respect to each Consenting Creditor, subject to and in accordance with the terms of the RSA, an amount in cash equal to 0.05% of the aggregate principal amount of the Base Eligible Consenting Debt held by such Consenting Creditor as at the Record Time (subject to all valid procedures being followed by such Consenting Creditor in accordance with the terms of the RSA)
"Base Eligible Consenting Debt"	a Consenting Debt which was made subject to the RSA by a Consenting Creditor after the Early Consent Fee Deadline but on or prior to the Base Consent Fee Deadline
"Cash Consideration"	cash to be distributed to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet
"Conditions Precedent"	the conditions precedent to the Restructuring Effective Date set out in the Term Sheet and as particularised in the Scheme
"Consent Fee"	with respect to each Consenting Creditor, the Early Consent Fee or the Base Consent Fee (as applicable)
"Consenting Debt"	at any time, with respect to a Consenting Creditor, the aggregate principal amount of In-Scope Debt set out in the relevant Consenting Debt Notice then most recently delivered by that Consenting Creditor, as modified from time to time by any Transfer Notices (as applicable) delivered by the Consenting Creditors to the Information Agent in accordance with the RSA
"Consenting Debt Notice"	a notice substantially in the form set out in the RSA
"Early Consent Fee"	with respect to each Consenting Creditor, subject to and in accordance with the terms of the RSA, an amount in cash equal to 0.15% of the aggregate principal amount of the Early Eligible Consenting Debt held by such Consenting Creditor as at the Record Time (subject to all valid procedures being followed by such Consenting Creditor in accordance with the terms of the RSA)

"Early Eligible Consenting Debt"	a Consenting Debt which was made subject to the RSA by a Consenting Creditor on or prior to the Early Consent Fee Deadline
"Eligible Consenting Debt"	an Early Eligible Consenting Debt or a Base Eligible Consenting Debt (as appropriate)
"End Date"	31 December 2026 or such later date as may be agreed between the Company and each Consenting Creditor
"Equity Consideration"	Shares to be distributed to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet
"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
"Longstop Date"	31 March 2026 or such later date as may be agreed between the Company and the Majority Ad Hoc Group or the Majority Consenting Creditors (each as defined in the RSA) in writing in accordance with the RSA
"Mandatory Convertible Bonds"	zero-coupon mandatory convertible bonds of the Company with a tenor of 18 months which may be issued to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet
"New Long Term Notes"	new long term notes of the Company with a tenor of eight years which may be issued to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet
"New Medium Term Notes"	new medium term notes of the Company with a tenor of six years which may be issued to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet
"New Short Term Notes"	new short term notes of the Company with a tenor of four years which may be issued to the Scheme Creditors as Restructuring Consideration, details of which are set out in the Term Sheet

"Option"	an option of Restructuring Consideration which a Scheme Creditor may elect to receive (subject to allocation, reallocation and adjustments) in accordance with the RSA and the Scheme, being Option 1, Option 2 or Option 3
"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
"Restructuring Consideration"	collectively, the Cash Consideration, the Equity Consideration, the New Short Term Notes, the New Medium Term Notes, the New Long Term Notes and the Mandatory Convertible Bonds, in accordance with and subject to the election and allocation mechanisms as set out in the Term Sheet and in accordance with the terms of the Scheme
"Restructuring Effective Date"	the date on which all outstanding In-Scope Debt will be cancelled and all guarantees and securities granted in connection with the In-Scope Debt will be released and the Restructuring Consideration will be distributed to the Scheme Creditors, with all Conditions Precedent having been either satisfied or waived (as applicable)
"Scheme Creditors"	creditors of the Company whose claims are (or will be) the subject of the Scheme
"Scheme Meeting"	a meeting of Scheme Creditors convened pursuant to a convening order to vote on the Scheme (and any adjournment of such meeting)
"Shares"	shares of the Company
"Transaction Website"	https://clients.dfkingltd.com/chinasce/, the website managed by the Information Agent in connection with the Proposed Restructuring
"US$"	United States dollar, the lawful currency of the United States of America

The implementation of the Proposed 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 Proposed 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 Proposed Restructuring and other related matters.

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
China SCE Group Holdings Limited
Wong Chiu Yeung
Chairman

Hong Kong, 26 June 2025

As at the date of this announcement, the executive directors of the Company are Mr. Wong Chiu Yeung, Mr. Cheng Hiu Lok, Mr. Huang Youquan and Ms. Zhang Haitao, and the independent non-executive directors of the Company are Mr. Ting Leung Huel Stephen, Mr. Dai Yiyi and Mr. Mao Zhenhua.

APPENDIX

TERM SHEET

Restructuring Term Sheet

(Subject to Contract)

All capitalised terms and expressions not otherwise defined herein shall have the meanings assigned to them in the Restructuring Support Agreement to which this term sheet (the "**Term Sheet**") is appended, which is also referred to as the "**RSA**".

This Term Sheet sets forth certain material terms and conditions in connection with the proposed Restructuring (as defined in the RSA) of the In-Scope Debt (as set out in Schedule I) by China SCE Group Holdings Limited. This Term Sheet is not binding and nothing in this Term Sheet shall amend any term of the In-Scope Debt or constitute a waiver of any right of any party thereunder. The transactions contemplated by this Term Sheet are subject to, amongst other things, the completion of confirmatory due diligence by the Ad Hoc Group plus the execution of definitive documentation by the parties.

This Term Sheet does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or any other jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from 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 and its management, as well as financial statements. No public offer of securities is to be made by the Company or any of the subsidiary guarantors of the In-Scope Debt in the United States. This Term Sheet is not a prospectus for the purposes of Regulation (EU) 2017/1129, including as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020.

General Information	
Company	China SCE Group Holdings Limited, a company incorporated with limited liability under the laws of the Cayman Islands
Group	The Company and its subsidiaries
Restructuring	The Company plans to implement the proposed Restructuring through one or more scheme(s) of arrangement ("**Scheme**") in Hong Kong and/or other applicable jurisdiction(s) at the election of the Company. The proposed Restructuring is expected to involve a compromise of all claims relating to the In-Scope Debt against (among others) the Company, the Subsidiary Guarantors (as defined under the documents governing the relevant In-Scope Debt), the Subsidiary Guarantor Pledgors (as defined under the documents governing the relevant In-Scope Debt) and (subject to carve-outs for fraud, dishonesty and wilful misconduct) their respective subsidiaries, shareholders, officers, directors, advisers, representatives and office-holders under or in connection with the In-Scope Debt, in exchange for (A) the Restructuring Consideration (as defined below) taking effect on and from the RED in accordance with the terms of the composite documents to be circulated by the Company to the Scheme Creditors in relation to the Scheme (the "**Scheme Documents**") and (B) the Company and the Subsidiary Guarantors agreeing to fully release, subject to certain exceptions to be agreed, all claims against the Scheme Creditors and any of the Scheme Creditors' respective officers, directors, representatives and advisers under and in connection with the In-Scope Debt. In addition, each member of the Ad Hoc Group and their respective personnel and the Ad Hoc Group's Advisers shall be included in the definition of "Released Person" (or its equivalent) under the Scheme as customary.
Scheme Creditors	The persons holding beneficial interest (or, with respect to the Existing Loans, legal and beneficial interest) as principal in the In-Scope Debt (as set out in Schedule I of this Term Sheet) as at the Record Time (each, a "**Scheme Creditor**"). "**Record Time**" shall be the time designated by the Company for the determination of the claims of the Scheme Creditors for the purpose of voting at the meeting(s) of the creditors of the Company whose claims against the Company are (or will be) the subject of the Scheme to vote on the Scheme convened pursuant to orders of the court (and any adjournment of such meeting).
Restructuring of the In-Scope Debt	
Scheme Creditors' Claims	For the purpose of the determination and distribution of the Restructuring Consideration, the sum of: (a) the outstanding principal amount of the In-Scope Debt held by the Scheme Creditors at the Record Time; and

	(b) all accrued and unpaid interest (except for any default interest or other special interests or fees) on such In-Scope Debt up to (and including) 31 December 2024 (together in aggregate, the "**Scheme Creditors' Claims**" and in relation to a given Scheme Creditor, the "**Scheme Creditor's Claim**"), *provided* that if any Scheme Creditor holds any collateral other than the share charges over the shares of Subsidiary Guarantors, the treatment of such collateral and impact on the calculation of such Scheme Creditor's Claims will be agreed and provided in the long form documentation.
Restructuring Consideration	The Restructuring Consideration for each Scheme Creditor will consist of one or a combination of the following options, in accordance with the Scheme Creditor's Selection: (1) **Option 1**: any portion or all of such Scheme Creditor's Claim at such Scheme Creditor's election ("**Option 1 Claim**"), in exchange for a fixed combination of the following: (i) 2.5% of Option 1 Claim in cash, of which 1.0% will be paid on RED and the remaining 1.5% will be paid on the date falling 18 months after the RED as special distribution (the "**STN Special Distribution**") on the New Short Term Notes (as defined below); and (ii) 27.5% of Option 1 Claim in short term notes (the "**New Short Term Notes**"); and (iii) the remaining 70% of Option 1 Claim will be forfeited; (2) **Option 2**: any portion or all of such Scheme Creditor's Claim at such Scheme Creditor's election ("**Option 2 Claim**"), in exchange for a fixed combination of the following: (i) 41.25% of Option 2 Claim in mandatory convertible bonds (the "**Mandatory Convertible Bonds**") which are convertible into ordinary shares of the Company (the "**1966 Shares**") at the Conversion Price and subject to the Mandatory Conversion Schedule; (ii) 13.75% of Option 2 Claim in 1966 Shares at the Conversion Price on the RED; (iii) 35% of Option 2 Claim in medium term notes (the "**New Medium Term Notes**"); and (iv) the remaining 10% of Option 2 Claim will be forfeited; and/or (3) **Option 3**: any portion or all of such Scheme Creditor's Claim at such Scheme Creditor's election (the "**Option 3 Claim**"), in exchange for long term notes (the "**New Long Term Notes**", together with the New Short Term Notes and New Medium Term Notes, the "**New Notes**") in a principal amount equal to such Option 3 Claim. "**Options**" means Option 1, Option 2 and Option 3, and "**Option**" shall mean any one of them.

	"**Scheme Creditor's Selection**" (or in relation to all Scheme Creditors, the "**Scheme Creditors' Selection**") refers to the selection of any or a combination of the Options by any Scheme Creditor as at the Record Time as the Restructuring Consideration, in accordance with the following: (1) a. the aggregate amount of Option 1 Claims as elected by all Scheme Creditors (the "**Aggregate Option 1 Claims**") shall not exceed US$560 million (the "**Option 1 Maximum Amount**"); and the amount of Option 1 Claim that each Scheme Creditor will be allocated to for the purpose of determining and receiving Restructuring Consideration shall be (i) the Option 1 Claim as elected by such Scheme Creditor or (ii) if the Aggregate Option 1 Claims exceed the Option 1 Maximum Amount, the Option 1 Maximum Amount multiplied by a quotient of the Option 1 Claim as elected by such Scheme Creditor and the Aggregate Option 1 Claims; and b. the aggregate amount of Option 3 Claims as elected by all Scheme Creditors (the "**Aggregate Option 3 Claims**") shall not exceed US$250 million (the "**Option 3 Maximum Amount**"); and the amount of Option 3 Claim that each Scheme Creditor will be allocated to for the purpose of determining and receiving Restructuring Consideration shall be (i) the Option 3 Claim as elected by such Scheme Creditor or (ii) if the Aggregate Option 3 Claims exceed the Option 3 Maximum Amount, the Option 3 Maximum Amount multiplied by a quotient of the Option 3 Claim as elected by such Scheme Creditor and the Aggregate Option 3 Claims; (2) to the extent that the Aggregate Option 1 Claims or the Aggregate Option 3 Claims exceed the Option 1 Maximum Amount or the Option 3 Maximum Amount, respectively, each Scheme Creditor's Claim not allocated as Option 1 Claim or Option 3 Claim (as the case may be) shall be allocated as an Option 2 Claim for such Scheme Creditor and shall be added to the aggregate amount of Option 2 Claims as elected by all Scheme Creditors (the "**Aggregate Option 2 Claims**") correspondingly; (3) any Scheme Creditor that fails to submit its selection of the Options (or fails to select any portion of its Scheme Creditor's Claim to the Options) by the stipulated deadline shall be deemed to have selected Option 2 in an amount equal to its Scheme Creditor's Claim (or in an amount equal to such unselected portion of Scheme Creditor's Claim, as applicable);

	(4) if the allocation of the Mandatory Convertible Bonds, the New Short Term Notes, the New Medium Term Notes or the New Long Term Notes (collectively, the "**New Debt Securities**") would result in any relevant Scheme Creditor receiving less than the minimum denomination of such series of the New Debt Securities, the amount of such series of the New Debt Securities allocated to such Scheme Creditor shall be adjusted downward to ensure that such Scheme Creditor holds at least the minimum denomination amount of such series of the New Debt Securities; (5) any fractional entitlement to the New Debt Securities that is remaining after the adjustments set forth in (1) through (4) above will be forfeited; and (6) for the avoidance of doubt, the maximum aggregate amount that a Scheme Creditor can submit for the selection of the Options shall be equal to its Scheme Creditor's Claim.
Exchange Rate	For the purpose of determining the Scheme Creditors' Claims and number of 1966 Shares to be converted under Option 2: US$1 = HK$7.7734
Restructuring Effective Date (the "RED")	The date on which all outstanding In-Scope Debt will be cancelled and all guarantees and securities granted in connection with the In-Scope Debt will be released and the Restructuring Consideration will be distributed to the Scheme Creditors, with all Conditions Precedent having been either satisfied or waived (as applicable). The RED shall be no later than the Longstop Date, and shall occur as soon as reasonably practicable after the Conditions Precedent being satisfied or waived.
Early Consent Fee	The Early Consent Fee shall be paid in accordance with the terms of the RSA. The Early Consent Fee shall comprise an amount in cash equal to 0.15% of the aggregate principal amount of the Early Eligible Consenting Debt (as defined in the RSA) held by the Consenting Creditor (as defined in the RSA) as at the Early Consent Fee Deadline (as defined in the RSA). The Company may extend the Early Consent Fee Deadline at its own discretion, *provided* that the Company shall promptly notify all Parties of the extension of the Early Consent Fee Deadline.
Base Consent Fee	The Base Consent Fee shall be paid in accordance with the terms of the RSA. The Base Consent Fee shall comprise an amount in cash equal to 0.05% of the aggregate principal amount of the Base Eligible Consenting Debt (as defined in the RSA) held by the Consenting Creditor as at the Base Consent Fee Deadline (as defined in the RSA).

	The Company may extend the Base Consent Fee Deadline at its own discretion, *provided* that the Company shall promptly notify all Parties of the extension of the Base Consent Fee Deadline.
Undertaking with respect to Shareholding of the Controlling Shareholders	The Controlling Shareholders held 2,120,500,000 1966 Shares (representing approximately 50.21% of the total 4,222,986,126 issued 1966 Shares) as of the date of this RSA. The Controlling Shareholders shall continue to hold, directly or indirectly, at least such percentage equal to 2,120,500,000 divided by 4,222,986,126 of all issued 1966 Shares, and shall not dispose of, or enter into any agreement to directly or indirectly dispose of, such 1966 Shares held by them before the RED, unless with the consent of the Majority Ad Hoc Group. The Controlling Shareholders shall not dispose of or enter into any agreement to directly or indirectly dispose of, such 1966 Shares held by them on the RED until the New Short Term Notes are fully repaid or redeemed. "**Controlling Shareholders**" means Mr. Wong Chiu Yeung and companies that are 100% beneficially owned and controlled by him.
Conditions Precedent	The following conditions must be satisfied or waived in accordance with the RSA prior to or on the RED: (a) the obtaining of all relevant regulatory and corporate approvals or other consents as are necessary for the proposed Restructuring to take effect; (b) the obtaining of the relevant court sanction order(s) in respect of the Scheme and the Scheme becoming effective in accordance with its terms; (c) the settlement in full of the Base Consent Fee and Early Consent Fee on or prior to the RED; (d) the settlement in full of all fees associated with the proposed Restructuring that the Company has agreed to pay in writing; (e) each Major Restructuring Document being in Agreed Form; (f) the establishment and maintenance of the Allocation Account (as defined below) for the purposes of the Cash Sweep; (g) the appointment of a Monitoring Agent (as defined below); (h) the maintenance of listing of the 1966 Shares on the Main Board of the SEHK; (i) compliance by the Company with the terms of this Term Sheet in all material aspects; and (j) the satisfaction of each of the other conditions precedent contained in the Scheme Documents. "**Major Restructuring Documents**" means the scheme of arrangement, Account Holder Letter(s), Lender Proxy Form(s) and any solicitation packet in relation to the Scheme, deed(s) of release, holding period trust

	deed, debt securities instruments (including indentures and trust deeds), intercreditor agreement, and security documents in relation to the New Debt Securities, as applicable.
Terms of the New Notes *Capitalised terms not defined below will be defined in the indentures governing the New Notes (the "**New Notes Indentures**"), which shall substantially follow the meanings given to them in the indentures governing the Existing Notes (as defined in Schedule I), it being understood and agreed that the terms of the New Notes Indentures other than those expressly specified below are subject to negotiation and may differ from those in the indentures governing the Existing Notes.*	
Issuer	The Company
Original Issue Date	The RED
Principal Amount	New Short Term Notes: The original principal amount shall be equal to 27.5% of the lesser of (i) the Aggregate Option 1 Claims and (ii) the Option 1 Maximum Amount. New Medium Term Notes: The original principal amount shall be equal to 35% of the Aggregate Option 2 Claims, as may be adjusted in accordance with the Scheme Creditors' Selection. New Long Term Notes: The original principal amount shall be equal to the lesser of (i) the Aggregate Option 3 Claims and (ii) the Option 3 Maximum Amount.
Tenor	New Short Term Notes: 4 years from the Original Issue Date; New Medium Term Notes: 6 years from the Original Issue Date; and New Long Term Notes: 8 years from the Original Issue Date.
Special Distribution	The STN Special Distribution will be paid to holders of the New Short Term Notes on the date falling 18 months after the Original Issue Date or such earlier date at the election of the Company.
Interest	Interest on the New Notes shall start accruing on the RED and be payable semi-annually in arrears on the Interest Accrual Base, at the following rates: • New Short Term Notes: 2.00% per annum. All interest for the first 30 months shall be paid in kind by issuing additional New Notes of the same series in principal amount equal to such interest (such paid-in-kind interest, "**PIK Interest**"). Interest payable after the date that is 30 months after the Original Issue Date shall be paid entirely in cash (such cash interest, "**Cash Interest**"). • New Medium Term Notes: 2.00% per annum. All interest for the first 30 months shall be paid in PIK Interest. Interest payable after the date that is 30 months after the Original Issue Date shall be paid entirely in Cash Interest.

<table>
<tr><td></td><td>
New Long Term Notes: 1.00% per annum.
Interest shall be paid in PIK Interest only for the first 42 months after the Original Issue Date and thereafter entirely in Cash Interest.
"Accreted Value" with respect to any outstanding New Notes (including any additional New Notes) means, as of any date, an amount equal to the sum of (i) the initial nominal principal amount of such New Notes issued on the issue date of such New Notes and (ii) PIK Interest paid or due and payable through such date, less (iii) any amount of such New Notes redeemed or repurchased and cancelled in accordance with the terms of such New Notes.
"Interest Accrual Base" means the Accreted Value on the applicable calculation date.
</td></tr>
<tr><td>Mandatory Redemption</td><td>
The Company shall mandatorily redeem the New Notes in accordance with the schedule below:

New Short Term Notes
<table>
<tr><th>Mandatory Redemption Date</th><th>Principal Amount to be Redeemed</th><th>Redemption Price</th></tr>
<tr><td>The date falling 36 months after the Original Issue Date</td><td>7.5% of the principal amount issued on the Original Issue Date</td><td>100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date</td></tr>
<tr><td>The date falling 42 months after the Original Issue Date</td><td>10.0% of the principal amount issued on the Original Issue Date</td><td>100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date</td></tr>
</table>
New Medium Term Notes
<table>
<tr><th>Mandatory Redemption Date</th><th>Principal Amount to be Redeemed</th><th>Redemption Price</th></tr>
<tr><td>The date falling 36 months after the Original Issue Date</td><td>1.0% of the principal amount issued on the Original Issue Date</td><td>100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date</td></tr>
</table>
</td></tr>
</table>

The date falling 42 months after the Original Issue Date	1.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 48 months after the Original Issue Date	5.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 54 months after the Original Issue Date	10.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 60 months after the Original Issue Date	10.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 66 months after the Original Issue Date	15.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date

New Long Term Notes

Mandatory Redemption Date	**Principal Amount to be Redeemed**	**Redemption Price**
The date falling 48 months after the Original Issue Date	1.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 54 months after the	1.0% of the principal amount	100% principal amount redeemed, plus any

Original Issue Date	issued on the Original Issue Date	accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 60 months after the Original Issue Date	1.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 66 months after the Original Issue Date	5.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 72 months after the Original Issue Date	5.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 78 months after the Original Issue Date	10.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 84 months after the Original Issue Date	10.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date
The date falling 90 months after the Original Issue Date	15.0% of the principal amount issued on the Original Issue Date	100% principal amount redeemed, plus any accrued and unpaid interest thereon to (but excluding) the redemption date

For the avoidance of doubt, the Company's mandatory redemption obligations hereunder shall not be satisfied or affected by any early

	redemption, repurchase or cancellation of any series of the New Notes, *provided* that should the outstanding principal amount of any relevant series of New Notes be less than the applicable principal amount to be redeemed on the relevant Mandatory Redemption Date, the Company shall only be obligated to redeem such outstanding principal amount of such series of New Notes, at par plus any accrued and unpaid interest thereon up to (but excluding) the redemption date, on such Mandatory Redemption Date. Any remaining outstanding principal amount of the New Notes shall be repaid on maturity.
Guarantees	Guarantees ("**New Subsidiary Guarantees**") by the Subsidiary Guarantors, [redacted] (collectively, the "**New Subsidiary Guarantors**").
Collateral	The New Notes, the Mandatory Convertible Bonds and any permitted *pari passu* secured indebtedness shall be secured by the following collateral (the "**Collateral**") on a *pari passu* basis, subject to the terms of an intercreditor agreement to be entered into on the RED among, *inter alia*, the Company, the collateral agent and the trustees, agents or representatives of the holders and/or creditors of the New Notes, the Mandatory Convertible Bonds and any permitted *pari passu* secured indebtedness: (a) charge over 100% of the shares of each New Subsidiary Guarantor; and (b) charge over the Allocation Account.
Cash Sweep	Upon consummation of any Specified Asset Sale, the Company shall, within timeframes and subject to conditions to be agreed and specified in the long form documentation, subject to compliance with applicable laws, rules, regulations, policies or measures and the receipt of all relevant regulatory, judicial and/or governmental approvals, remit or procure the remittance of the Net Cash Proceeds into a specified offshore account (the "**Allocation Account**"), which shall be subject to security and account control agreement(s). The Company undertakes to use all commercially reasonable endeavors to carry out (or procure the applicable Restricted Subsidiary(ies) to carry out) all steps and actions necessary which are within the control of the Company or applicable Restricted Subsidiary(ies) and to the extent permissible under applicable laws, rules, regulations, policies or measures for the remittance of the Net Cash Proceeds. Any failure by the Company to remit the Net Cash Proceeds into the Allocation Account after using all commercially reasonable endeavors shall not constitute a default under the New Debt Securities.

	The Company (A) shall, as soon as reasonably practicable and in any event within 45 Business Days after the balance in the Allocation Account (the "**Allocation Amount**") exceeds a certain amount to be agreed and specified in the long form documentation; or (B) may, at its discretion at any time, apply or procure the application of the Allocation Amount in accordance with the following: (a) pay or reserve such amounts for the payment of any principal, interest and/or related fees and expenses that is due or will be due in the following 12 months under the terms of New Notes, *provided* that any such amounts reserved for payment must be applied towards payments due in the following 12 months; and/or (b) if (x) the Allocation Amount after deducting the amount of payment made or to be made in accordance with paragraph (a) immediately above (the "**Residual Allocation Amount**") exceeds a certain amount to be agreed and specified in the long form documentation or (y) where no payment or reserve for payment is made or to be made pursuant to paragraph (a) above, apply the Residual Allocation Amount or the Allocation Amount, as the case may be: i. to repurchase one or more series of the New Notes through open market purchases or tender offers, *provided* that: 1. in the case of any open market purchases, such open market purchases shall be facilitated by a licensed investment bank or brokerage firm; and 2. for so long as any New Short Term Notes remain outstanding, the Company shall not use such Residual Allocation Amount or Allocation Amount, as the case may be, for the repurchase of the New Medium Term Notes or the New Long Term Notes; and/or ii. to redeem the New Short Term Notes (or where there is no New Short Term Notes outstanding, the New Medium Term Notes and the New Long Term Notes) at par plus any accrued and unpaid interest thereon up to (but excluding) the redemption date from all existing holders on a pro-rata basis. "**Net Cash Proceeds**" means 70% of the Net Consideration. "**Net Consideration**" refers to, to the extent attributable to the Company and actually received by the Company (directly or indirectly through any of its Restricted Subsidiaries), the cash proceeds from Specified Asset Sale, net of applicable fees, taxes, charges, liabilities and obligations

	required to be paid or arising in connection with the project to which the relevant Specified Asset belongs, including: (1) actual brokerage commissions, land and construction related cost, project design and development cost, operational cost and other necessary transaction fees and expenses (including fees and expenses of professional parties) related to such Specified Asset Sale and the application of the cash proceeds from such Specified Asset Sale; (2) provisions, made reasonably and in good faith, for all taxes and regulatory fees (whether or not such taxes or regulatory fees will actually be paid or are payable) as a result of such Specified Asset Sale without regard to the consolidated results of operations of the Company or any of its Restricted Subsidiaries, taken as a whole; (3) any amount required or requested by PRC government and/or regulatory bodies and/or under such applicable PRC law, rules, regulations, policies or measures to be deposited in a designated account or used for other purposes, which is not freely transferrable or disposable by the Company or the relevant Restricted Subsidiary(ies); (4) amounts paid or to be paid for indebtedness or any other liability or obligation outstanding at the time of such Specified Asset Sale that is (x) secured by a lien on the property or assets directly or indirectly sold under such Specified Asset Sale, (y) is properly and reasonably incurred to fund the development expenses, project management expenses, and/or administrative expenses of the project to which the relevant Specified Asset belongs, or (z) required to be paid as a result of or in connection with such Specified Asset Sale or the remittance of cash in accordance with this cash sweep provision; and (5) appropriate amounts to be provided by the Company or any of its Restricted Subsidiaries as a reserve, made reasonably and in good faith, against any liabilities arising out of or in connection with the project to which such Specified Asset belongs, including, without limitation, pension and other post-employment benefit liabilities, amounts due to contractors and/or suppliers, liabilities related to environmental matters, liabilities under any indemnification obligations, land cost, project design cost and other development and operational cost associated with the project to which such Specified Asset belongs. "**Specified Assets**" means the projects listed in Schedule II to the Term Sheet, *provided* that if any Replacement Assets is received as consideration for any Specified Asset Sale, such Replacement Assets will form part of Specified Assets.

	"**Specified Asset Sale**" means, subject to certain exceptions to be agreed in the long form documentation, on or after the Original Issue Date, (1) any sale, transfer or disposal of a Specified Asset (or any part thereof) by the relevant Restricted Subsidiary(ies); and/or (2) any sale or transfer of shares of a Restricted Subsidiary or Restricted Subsidiaries whose principal asset is a Specified Asset (or any part thereof), whether held directly or indirectly by such Restricted Subsidiary(ies), in each case of (1) and (2), such sale, transfer or disposal must be on arms-length commercial terms to a third party.
Events of Default	The events of default provision is to be agreed with the Majority Ad Hoc Group in the long form documentation.
Monitoring	The Company will engage an agent from a whitelist to be agreed between the Company and the Majority Ad Hoc Group (the "**Monitoring Agent**") to certify its compliance with all obligations in connection with the Cash Sweep. The scope of powers, rights and obligations of the Monitoring Agent shall be subject to the agreement of the Majority Ad Hoc Group.
Optional Redemption / Repurchase	The Company may at its option redeem the New Notes at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes plus accrued and unpaid interest up to but excluding the relevant redemption date of the New Notes redeemed. Except for Mandatory Redemption or otherwise in accordance with Cash Sweep, the Company shall not redeem any New Medium Term Notes or any New Long Term Notes while any New Short Term Notes remains outstanding. The Company shall not redeem or repurchase any New Notes until the STN Special Distribution has been paid in full.
Amendments with Consent of Holders	The amendment provisions under the New Notes are to be agreed in the long form documentation. Any modification, amendment or waiver of the terms of the New Short Term Notes relating to the STN Special Distribution shall require the consent of the Holders of not less than 75% in aggregate principal amount of the outstanding New Short Term Notes.
Trustee, Collateral Agent and Custodian	The Company will select one or more administrative party(ies) for the New Notes from a whitelist to be agreed between the Company and the Majority Ad Hoc Group.
Transfer Restrictions	The New Notes and the New Subsidiary Guarantees will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") or any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act ("**Regulation S**")) except

<table>
<tr><td></td><td>pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.</td></tr>
<tr><td>Form, Denomination and Registration</td><td>The New Notes will be issued only in fully registered form and will be initially represented by one or more global certificates.
The New Notes will be issued in minimum denomination of US$1 and integral multiples of US$1 in excess thereof.</td></tr>
<tr><td>Listing</td><td>Application will be made by the Company for the listing and quotation of the New Notes on The Singapore Exchange Securities Trading Limited (the "SGX") or another internationally recognized exchange.</td></tr>
<tr><td>Governing Law and Jurisdiction</td><td>The New Notes, the New Subsidiary Guarantees and the New Notes Indentures will be governed by and will be construed in accordance with the laws of the State of New York.
U.S. federal and New York state courts located in the Borough of Manhattan, The City of New York are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the New Notes, the New Subsidiary Guarantees and the New Notes Indentures.
The security documents will be governed by the laws of the jurisdictions where the relevant collateral is held or located.</td></tr>
<tr><td colspan="2">Terms of the Mandatory Convertible Bonds</td></tr>
<tr><td>Issuer</td><td>The Company</td></tr>
<tr><td>Original Issue Date</td><td>The RED</td></tr>
<tr><td>Principal Amount</td><td>The original principal amount of the Mandatory Convertible Bonds shall be equal to 41.25% of the Aggregate Option 2 Claims, as may be adjusted in accordance with the Scheme Creditors' Selection.</td></tr>
<tr><td>Tenor</td><td>18 months from the Original Issue Date</td></tr>
<tr><td>Interest</td><td>Nil</td></tr>
<tr><td>Mandatory Conversion</td><td>The Mandatory Convertible Bonds shall be mandatorily converted into 1966 Shares by instalments at the Conversion Price in accordance with the following schedule (the "Mandatory Conversion Schedule"):
<table>
<tr><th>Mandatory Conversion Date</th><th>Principal Amount to be Converted</th></tr>
<tr><td>The date falling 6 months after the Original Issue Date</td><td>1/3 of the principal amount issued on the Original Issue Date</td></tr>
<tr><td>The date falling 12 months after the Original Issue Date</td><td>1/3 of the principal amount issued on the Original Issue Date</td></tr>
<tr><td>The date falling 18 months after the Original Issue Date</td><td>The remainder of the Mandatory Convertible Bonds</td></tr>
</table>
</td></tr>
</table>

	For the avoidance of doubt, any Voluntary Conversion shall not affect the Mandatory Conversion Schedule. Notwithstanding the foregoing, should the total outstanding principal amount of the Mandatory Convertible Bonds be less than the applicable principal amount to be converted on the relevant Mandatory Conversion Date, the Company shall only be obligated to convert the remaining outstanding Mandatory Convertible Bonds on such Mandatory Conversion Date. Mandatory Conversion shall be suspended automatically upon (1) any failure by the Company to make any scheduled principal or interest payment under any series of the New Notes or under the Mandatory Convertible Bonds, (2) the delisting of 1966 Shares, or (3) a final winding-up order or final bankruptcy order, as applicable, is made by a competent court against the Company or any of Affluent Way International Limited, Ally Health Investments Limited, South China Group (H.K.) Limited, Pioneer Merit Investments Limited and Fortune Western Investment Limited, until such default or event of default is cured or waived (such period of suspension, the "**Suspension Period**"). If one or more Mandatory Conversion Date(s) fall(s) within the Suspension Period, the Mandatory Conversion that should have occurred on such Mandatory Conversion Date(s) shall occur on the first business day after the Suspension Period. For the avoidance of doubt, the Mandatory Convertible Bonds shall constitute indebtedness and direct, general and unconditional obligations of the Company and rank *pari passu* with the New Notes, until such Mandatory Convertible Bonds are fully converted into 1966 Shares.
Conversion Price	HK$1.60 per share. To the extent there are any events occurring between the date of the RSA and the RED which would have triggered adjustments to the Conversion Price had they occurred after the RED, the Company shall consult with and agree with the Majority Ad Hoc Group on the appropriate adjustments to the Conversion Price.
Adjustments to Conversion Price	After the issuance of the Mandatory Convertible Bonds on the Original Issue Date, the Conversion Price may be adjusted in certain circumstances including, without limitation, stock split, consolidation, dividend, distributions and new equity issuance at less than certain issue price below market price.
Voluntary Conversion	Notwithstanding the Mandatory Conversion above, holders of the Mandatory Convertible Bonds may elect to voluntarily convert any portion of the Mandatory Convertible Bonds at any time after the Original Issue Date.
Guarantees	Same as the New Notes, on a *pari passu* basis

Collateral	Same as the New Notes, on a *pari passu* basis
Optional Redemption	The Company may at its option redeem the Mandatory Convertible Bonds at any time, in whole or in part, at a redemption price equal to 100% of the principal amount of the Mandatory Convertible Bonds, *provided* that the Company shall not by way of optional redemption redeem any Mandatory Convertible Bonds while any New Short Term Notes remains outstanding.
Covenants and Undertakings	Fundamental covenants and undertakings typical for mandatory convertible bonds (including, without limitation, covenants relating to (i) the maintenance of the listing of 1966 Shares on the Main Board of the SEHK and (ii) using the Company's best endeavours to procure that 1966 Shares shall not be suspended from trading for more than 60 consecutive trading days).
Fixed Exchange Rate	On any conversion into 1966 Shares, US$1 in principal amount of Mandatory Convertible Bonds shall be translated at a fixed rate of 7.7734 Hong Kong dollars.
Form, Denomination and Registration	The Mandatory Convertible Bonds will be issued only in fully registered form and will be initially represented by one or more global notes. The Mandatory Convertible Bonds will be issued in minimum denomination of US$1 and integral multiples of US$1 in excess thereof.
Trustee, Collateral Agent and Custodian	The Company will select one or more administrative party(ies) for the Mandatory Convertible Bonds from a whitelist to be agreed between the Company and the Majority Ad Hoc Group
Transfer Restrictions	The Mandatory Convertible Bonds will not be registered under the Securities Act or any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Mandatory Convertible Bonds will be offered and sold only (i) in offshore transactions outside the U.S. in reliance on Regulation S or (ii) pursuant to another exemption.
Amendments with Consent of the Holders	Amendment provisions under the Mandatory Convertible Bonds are to be agreed in the long form documentation.
Events of Default	Customary events of default to be agreed with the Majority Ad Hoc Group in the Restructuring Documents.
Listing	Application will be made for the listing and quotation of the Mandatory Convertible Bonds on the SGX or another internationally recognized stock exchange.

Governing Law and Jurisdiction	The Mandatory Convertible Bonds and trust deed governing the Mandatory Convertible Bonds (the "**MCB Trust Deed**") will be governed by and will be construed in accordance with the laws of Hong Kong. Hong Kong courts are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Mandatory Convertible Bonds and the MCB Trust Deed. The security documents will be governed by the laws of the jurisdictions where the relevant collateral is held or located.

Schedule I

In-Scope Debt

(1) The New York law-governed 7.375% senior notes due April 2024 (ISIN: XS1974405893) (the "**April 2024 Notes**") issued by the Company. As at the date of this RSA, the aggregate principal amount of the April 2024 Notes outstanding is US$500 million;

(2) The New York law-governed 5.95% senior notes due September 2024 (ISIN: XS2316077572) (the "**September 2024 Notes**") issued by the Company. As at the date of this RSA, the aggregate principal amount of the September 2024 Notes outstanding is US$450 million;

(3) The New York law-governed 7.0% senior notes due May 2025 (ISIN: XS2227351900) (the "**May 2025 Notes**") issued by the Company. As at the date of this RSA, the aggregate principal amount of the May 2025 Notes outstanding is US$500 million;

(4) The New York law-governed 6.0% senior notes due February 2026 (ISIN: XS2286966093) (the "**February 2026 Notes**," together with the April 2024 Notes, the September 2024 Notes and the May 2025 Notes, the "**Existing Notes**") issued by the Company. As at the date of this RSA, the aggregate principal amount of the February 2026 Notes outstanding is US$350 million;

(5) The Hong Kong law-governed facility agreement dated 22 March 2021, entered into by (among others) the Company in respect of HK$351,000,000 and US$342,500,000 dual tranche term loan facilities made by certain financial institutions as lenders and [redacted] as agent (the "**2021 Syndicated Loan**"). As at the date of this RSA, the aggregate principal amount of the 2021 Syndicated Loan outstanding is HK$315.9 million and US$308.25 million; and

(6) The Hong Kong law-governed facility agreement dated 4 July 2023, entered into by (among others) the Company in respect of HK$255,420,000 and US$89,100,000 dual tranche term loan facilities made by certain financial institutions as lenders and [redacted] as agent (the "**2023 Syndicated Loan**," together with the 2021 Syndicated Loan, the "**Existing Loans**", together with the Existing Notes, the "**In-Scope Debt**"). As at the date of this RSA, the aggregate principal amount of the 2023 Syndicated Loan outstanding is HK$255.4 million and US$89.1 million.

Schedule II
Specified Assets

No.	Project	Location
1.	[redacted]	
2.		
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24. [redacted]
25.
26.
27.
28.