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LOGAN

龙光集团

Logan Group Company Limited

龍光集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3380 and Debt Stock Codes: 40527, 40508)

TRANSACTIONS IN CONNECTION WITH THE RESTRUCTURING INVOLVING, AMONG OTHERS: (1) CONNECTED TRANSACTION: PROPOSED ISSUE OF MANDATORY CONVERTIBLE BONDS UNDER SPECIFIC MANDATE (INCLUDING THE ISSUE OF MANDATORY CONVERTIBLE BONDS TO CONNECTED CREDITORS, THE REDIRECTED MCBS PURSUANT TO THE SHAREHOLDING STRUCTURE STABILITY ARRANGEMENT AND THE MCB CONVERSION SHARES); (2) MAJOR TRANSACTION: POSSIBLE TRANSFER OF THE ALC ASSETS FOR THE PURPOSE OF THE RESTRUCTURING; (3) ISSUE OF REDEMPTION SHARES IN RESPECT OF THE REDEMPTION OF PERPETUAL SECURITIES; AND (4) BOOK CLOSURE PERIOD FOR THE EGM

1. INTRODUCTION

Reference is made to the Announcements in relation to, among other things, the Restructuring.

The purpose of this announcement is to provide further information on the Restructuring and the corporate actions which will be taken by the Company in connection with the Restructuring, which include: (1) the proposed issue of the MCBs pursuant to the Restructuring (including the proposed issue of MCBs to Connected Creditors, the Redirected MCBs in connection with the Shareholding Structure Stability Arrangement and the grant of the Specific Mandate for the issue of MCB Conversion Shares), (2) the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer for the purpose of the Restructuring, and (3) the proposed issue of Redemption Shares in respect of the redemption of the Perpetual Securities.

2. BACKGROUND

As set out in the announcement dated 24 July 2026, the Company has obtained the support from the requisite statutory majorities of the Scheme Creditors to approve the Schemes at the Scheme Meeting convened at 8:00 p.m. Hong Kong time on 24 July 2026. The Cayman Scheme was sanctioned by the Grand Court of the Cayman Islands on 4 August 2026. The Hong Kong Scheme was sanctioned by the Court of First Instance of the High Court of the Hong Kong Special Administrative Region on 20 August 2026. The Scheme Effective Date occurred on 21 August 2026.

There are certain liabilities of the Company, which are not subject of the Restructuring. These include the Perpetual Securities, being a series of US$350,000,000 perpetual capital securities issued by the Company (ISIN: XS1619838292). The creditors of the Perpetual Securities will not share in the allocation of the Scheme Entitlements and their claims will be settled on separate terms. As at the date of this announcement, the Company has reached an agreement with the requisite majority holders of the Perpetual Securities to effect a restructuring of the Perpetual Securities by way of equitisation after the Restructuring Effective Date.

References are also made to the voluntary announcements dated 10 July 2025 and 4 December 2025, in relation to the restructuring of the onshore corporate bonds and asset-backed securities of the Company. Between 26 June 2025 and 8 July 2025, Shenzhen Logan convened creditors' meetings in respect of the Onshore Public Bonds being allotted under the debt restructuring offer through options including conversion into designated assets, asset-for-debt swap, cash repurchase and equity economic rights. Shenzhen Logan has obtained the requisite majority Onshore Creditors' approval for the implementation of the Onshore Restructuring options. As at the date of this announcement, Shenzhen Logan has implemented the first cash repurchase, asset-for-debt swap, trust-for-debt swap options and the second cash repurchase, resulting in the cancellation of an aggregate principal amount of RMB16.408 billion of Onshore Public Bonds, leaving an outstanding balance of approximately RMB5.553 billion of Onshore Public Bonds.

Shenzhen Logan intends to continue implementing the remaining options under the approved Onshore Restructuring proposal, with a view to fully resolving its obligations under the Onshore Public Bonds. Based on the terms of the approved restructuring proposal between the Company and the Onshore Creditors, the Company expects that no more than approximately 1,137 million Shares, would be issued pursuant to the equity economic rights under the Onshore Restructuring. The Company will keep its Shareholders and potential investors informed of any material developments in relation to the Onshore Restructuring and will make further announcement(s) when the details of the Onshore Restructuring are finalised.

As agreed under the Restructuring Documents, the Company intends to adopt a Management Incentive Plan to allot and issue Shares of no more than 7% of the Fully Diluted Total Share Capital. Subsequent to the Restructuring Effective Date and the specific details of the Management Incentive Plan have been finalized, the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting.

The issuance of the MCBs, the incorporation of the ALC Creditor SPV and the incorporation of the FIE Creditor SPV are inter-conditional arrangements under the Restructuring. While the possible transfer of the ALC Assets is not a condition to the Restructuring, the Company has an obligation to use reasonable endeavour to procure the satisfaction of the ALC Assets Transfer Conditions. The Restructuring will only become effective if each of the Restructuring conditions as set out in the section below headed "C. Proposed Issue of the Mandatory Convertible Bonds — Conditions Precedent to the Restructuring" are satisfied or waived on or before the Longstop Date. The issuance of Redemption Shares is conditional upon the Restructuring becoming effective, but is not inter-conditional to the Restructuring. The Onshore Restructuring is neither inter-conditional with nor part of the Restructuring, but is an important component to the holistic restructuring plan for the Company which had been agreed with the Onshore Creditors.

3. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS

Subject to the occurrence of the Restructuring Effective Date and subject to the election by Scheme Creditors and Non-Scheme Creditors of any of or any combination of the five Options, the Company will issue, upon full conversion of the MCBs:

a. a Total MCB Issue Amount of US$6,161,661,000 for a total number of 12,777,159,300 MCB Conversion Shares to be issued under the Low-end Probable Case; and

b. a Total MCB Issue Amount of US$7,103,971,000 for a total number of 15,013,568,536 MCB Conversion Shares to be issued under the High-end Probable Case.

Of the total MCB entitlement amount to be issued to the creditors, a portion of the MCB entitlement amount must be issued and allotted to the Controlling Shareholder Nominee, in the proportion specified under the Shareholding Structure Stability Arrangement. The Scheme Creditors, Non-Scheme Creditors and the Controlling Shareholder Nominee may fairly and voluntarily elect MCB1 and MCB2, subject to a fixed issuance proportion of MCB1 and MCB2 at 75% and 25%, respectively.

Of the total number of Shares issuable on conversion of the MCBs issued to the Scheme Creditors at the nominal conversion price, after excluding the number of shares issuable upon conversion of the Redirected MCBs, the weighted average Effective Conversion Price of the MCBs issued to all creditors is HK$6.00 per Share.

The issue of the MCBs and the transactions contemplated thereunder (including the Shareholding Structure Stability Arrangement, the issue of the MCBs to the Connected Creditors and the issue of the MCB Conversion Shares pursuant to the terms of the MCB) are subject to the passing of the ordinary resolution approving the Specific Mandate by the Independent Shareholders at the Extraordinary General Meeting. An application will be made for the listing and quotation of the MCBs on the SGX or another internationally recognized stock exchange. An application will be made by the Company to the Stock Exchange for listing of, and permission to deal in, the MCB Conversion Shares.

4. MAJOR TRANSACTION: POSSIBLE TRANSFER OF THE ALC ASSETS FOR THE PURPOSE OF THE RESTRUCTURING

Under Option 2A of the Restructuring, it involves an option to elect the ALC Asset Trust Instruments with a principal amount equal to 29.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option; and an amount of cash (in US$) equal to 0.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option.

A special purpose vehicle (being the ALC Creditor SPV) will be established as an orphan trust special purpose vehicle incorporated in an offshore jurisdiction as designated by the Company. The ALC Creditor SPV will be managed by GLAS to issue the ALC Asset Trust Instruments.

The ALC Creditor SPV is entitled to receive the net proceeds received or recovered from the ALC Project Company. In accordance with the ALC Deed of Undertaking, the ALC Creditor SPV is principally obliged to distribute such net funds to the holders of the ALC Asset Trust Instruments, and shall comply with such other terms and obligations as set out in the Restructuring Documents.

Pursuant to the ALC Deed of Undertaking to be entered into between the ALC Creditor SPV and the Company, and subject to the fulfilment of the ALC Assets Transfer Conditions, the Relevant ALC Assets Transfer will involve the transfer to the ALC Creditor SPV of:

(i) 50% of the shares in the ALC Project Company currently held by the Company; and

(ii) all rights, benefits, and proceeds from shareholder loans made by the Company to the ALC Project Company that are then outstanding.

The Relevant ALC Assets Transfer will take place within five business days after the satisfaction of the asset transfer conditions.

The possible transfer of the ALC Assets is subject to the satisfaction of the conditions precedent as set out in the sub-section headed "Conditions Precedent" below.

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transfer of the ALC Assets is 25% or more but less than 75%, the Relevant ALC Assets Transfer and the constitution of the ALC Asset Trust constitutes major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

5. PROPOSED ISSUE OF REDEMPTION SHARES IN RESPECT OF THE PERPETUAL SECURITIES

The Company is the issuer of the Perpetual Securities, which is a series of US$350,000,000 perpetual capital securities (ISIN: XS1619838292). As set out in the Company's announcement dated 21 May 2026, the Company has received valid consent and blocking instructions through the clearing systems by or on behalf of Securityholders holding not less than 90% in aggregate principal amount of the Perpetual Securities, to effect the restructuring of the Perpetual Securities by way of equitisation on or after the Restructuring Effective Date. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, all of the holders of the Perpetual Securities are Independent Third Parties and are not connected persons of the Company.

The effect of such an agreement is that the Company has the right to issue Shares for the in-kind redemption of the Perpetual Securities at HK$7.00 per Share, to redeem the outstanding principal amount of the Perpetual Securities. As such, a total of 390,000,000 Redemption Shares would be issued hereunder. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Redemption Shares.

The issue of Redemption Shares in respect of the restructuring of the Perpetual Securities forms an integral part of the overall Restructuring package. The redemption price was determined after arm's length negotiations between the Company and the Securityholders after taking into account, among others, the Share price performance and assessment of acceptability of the Securityholders towards the terms of the Supplemental Trust Deed, and the overall fairness between the creditors and the Securityholders under the Restructuring.

The Company will seek at the Extraordinary General Meeting a specific mandate from the Shareholders for the allotment and issue of the Redemption Shares. The issue of the Redemption Shares and the transactions contemplated thereunder are subject to the passing of the ordinary resolution approving the specific mandate by the Shareholders at the Extraordinary General Meeting.

6. ADOPTION OF THE MANAGEMENT INCENTIVE PLAN

As agreed under the Restructuring Documents, the Company intends to adopt a Management Incentive Plan to allot and issue Shares of no more than 7% of the Fully Diluted Total Share Capital. Subsequent to the Restructuring Effective Date and the specific details of the Management Incentive Plan have been finalized, the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting.

7. FORMATION OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on whether the proposed issue of MCBs to Connected Creditors, the Redirected MCBs in connection with the Shareholding Structure Stability Arrangement and the grant of the Specific Mandate for the issue of MCB Conversion Shares and the transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and whether the terms of which are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and how to vote on the resolutions at the Extraordinary General Meeting.

Ignite Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

8. GENERAL

An EGM will be convened and held for the Shareholders and/or Independent Shareholders to consider and, if thought fit, to approve by way of poll, (a) the proposed implementation of the transactions in connection with the Restructuring, involving amongst others, (i) the proposed issue of the MCBs (including the grant of the Specific Mandate for the issue of the MCB Conversion Shares), (ii) the proposed issue of the MCBs (including the issue of the MCB Conversion Shares thereunder) to the Connected Creditors, (b) the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer, and (c) the proposed issue of Redemption Shares in respect of the Perpetual Securities.

The controlling shareholder and his associates, who hold in aggregate approximately 74.95% of the total number of Shares in issue as at the date of this announcement, are interested in the transactions for the implementation of the Restructuring as a result of the Shareholding Structure Stability Arrangement and the Connected MCB Issue, shall abstain from voting on the resolutions to be proposed at the Extraordinary General Meeting to approve the proposed transaction under the Restructuring in relation to the proposed issue of the MCBs pursuant to the Restructuring (including the proposed issue of MCBs to Connected Creditors, the Redirected MCBs in connection with the Shareholding Structure Stability Arrangement and the grant of the Specific Mandate for the issue of MCB Conversion Shares). Save as disclosed above, to the best of the Directors' knowledge, no Shareholder is required to abstain.

A circular containing, among others, (i) further details of the proposed implementation of the transactions in connection with the Restructuring (including the proposed issue of the MCBs, the Shareholding Structure Stability Arrangement and the Connected MCB Issue), (ii) further details of the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer, (iii) further details of the proposed issue of Redemption Shares in respect of the Perpetual Securities, (iv) a letter of recommendations from the Independent Board Committee to the Independent Shareholders on the proposed implementation of the Restructuring and the transactions contemplated thereunder, (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Connected MCB Issue and the transactions contemplated thereunder, (vi) a property valuation report, and (vii) a notice of the EGM, together with the form of proxy, will be published on the websites of the Stock Exchange and the Company, and will be despatched by the Company to the Shareholders who have already provided instructions indicating their preference to receive hard copies as soon as reasonably practicable.

Completion of the transactions set out in this announcement is subject to the fulfilment or waiver of the conditions precedent as set out in this announcement or under the respective definitive transaction documentation and these transactions may or may not become unconditional or be completed. The transactions set out in this announcement may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

A. INTRODUCTION

Reference is made to the Announcements in relation to, among other things, the Restructuring.

The purpose of this announcement is to provide further information on the Restructuring and the corporate actions which will be taken by the Company in connection with the Restructuring, which include: (1) the proposed issue of the MCBs pursuant to the Restructuring (including the proposed issue of MCBs to Connected Creditors, the Redirected MCBs in connection with the Shareholding Structure Stability Arrangement and the grant of the Specific Mandate for the issue of MCB Conversion Shares), (2) the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer for the purpose of the Restructuring, and (3) the proposed issue of Redemption Shares in respect of the redemption of the Perpetual Securities.

B. BACKGROUND

The Company is a company incorporated in the Cayman Islands with limited liability. The Group is a leading property developer and is principally engaged in property development, property investment, property management in the PRC and Hong Kong.

The Group, like many companies in the PRC real estate sector, has been severely and negatively affected by the downturn of the PRC real estate market since 2021 in various aspects:

(a) the tightening of financing policies and reduced bank lending for real estate development have resulted in reduced access by PRC property developers to onshore capital;

(b) the continued economic downturn in the PRC, reduced bank lending for finance for buyers, buyers' concerns about future incomes and property price movements and the ability of property developers to complete projects have resulted in reduced property sales for both the industry and the Group; and

(c) the Group's other businesses have also been similarly adversely affected owing to the overall downturn of the upstream real estate industry. Adverse reaction to these onshore events by offshore capital markets has limited the Group's funding sources to address upcoming maturities on its outstanding indebtedness.

In light of the foregoing, the Company engaged financial and legal advisers to assist it in respect of a potential restructuring of its offshore indebtedness since August 2022.

The Schemes contemplate the releases of the Scheme Claims against the Company. In addition, the Existing Obligors and certain other third parties will also receive the benefit of certain releases given under, and in connection with, the Schemes. The Company and all of the Existing Obligors will be released from their obligations in respect of the Scheme Claims in accordance with the terms of the Schemes.

As at the date of this announcement, the aggregate outstanding principal amount of the debts (excluding accrued interests) to be released pursuant to the Schemes is approximately US$11,700 million.

As set out in the Announcements, the Company has obtained the support from the requisite statutory majorities of the Scheme Creditors to approve the Schemes at the Scheme Meeting convened at 8:00 p.m. Hong Kong time on 24 July 2026. The Cayman Scheme was sanctioned by the Grand Court of the Cayman Islands on 4 August 2026. The Hong Kong Scheme was sanctioned by the Court of First Instance of the High Court of the Hong Kong Special Administrative Region on 20 August 2026. The Scheme Effective Date occurred on 21 August 2026.

There are certain liabilities of the Company, which are not subject of the Restructuring. These include the Perpetual Securities, being a series of US$350,000,000 perpetual capital securities issued by the Company (ISIN: XS1619838292). The creditors of the Perpetual Securities will not share in the allocation of the Scheme Entitlements and their claims will be settled on separate terms. As at the date of this announcement, the Company has reached an agreement with the requisite majority holders of the Perpetual Securities to effect a restructuring of the Perpetual Securities by way of equitisation after the Restructuring Effective Date.

References are also made to the voluntary announcements dated 10 July 2025 and 4 December 2025, in relation to the restructuring of the onshore corporate bonds and asset-backed securities of the Company. Between 26 June 2025 and 8 July 2025, Shenzhen Logan convened creditors' meetings in respect of the Onshore Public Bonds being allotted under the debt restructuring offer through options including conversion into designated assets, asset-for-debt swap, cash repurchase and equity economic rights. Shenzhen Logan has obtained the requisite majority Onshore Creditors' approval for the implementation of the Onshore Restructuring options. As at the date of this announcement, Shenzhen Logan has implemented the first cash repurchase, asset-for-debt swap, trust-for-debt swap options and the second cash repurchase, resulting in the cancellation of an aggregate principal amount of RMB16.408 billion of Onshore Public Bonds, leaving an outstanding balance of approximately RMB5.553 billion of Onshore Public Bonds.

Shenzhen Logan intends to continue implementing the remaining options under the approved Onshore Restructuring proposal, with a view to fully resolving its obligations under the Onshore Public Bonds. Based on the terms of the approved restructuring proposal between the Company and the Onshore Creditors, the

Company expects that no more than 1,137 million Shares, would be issued pursuant to the equity economic rights under the Onshore Restructuring. The Company will keep its Shareholders and potential investors informed of any material developments in relation to the Onshore Restructuring and will make further announcement(s) when the details of the Onshore Restructuring are finalised.

As agreed under the Restructuring Documents, the Company intends to adopt a Management Incentive Plan to issue and allot Shares of no more than 7% of the Fully Diluted Total Share Capital. Under the High-end Probable Case, such 7% of the Fully Diluted Total Share Capital amounts to 1,672,929,057 Shares. Subsequent to the Restructuring Effective Date and the specific details of the Management Incentive Plan have been finalized, the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting.

The issuance of the MCBs, the incorporation of the ALC Creditor SPV and the incorporation of the FIE Creditor SPV are inter-conditional arrangements under the Restructuring. While the possible transfer of the ALC Assets is not a condition to the Restructuring, the Company has an obligation to use reasonable endeavour to procure the satisfaction of the ALC Assets Transfer Conditions. The Restructuring will only become effective if each of the Restructuring conditions as set out in the section below headed "C. Proposed Issue of the Mandatory Convertible Bonds — Conditions Precedent to the Restructuring" are satisfied or waived on or before the Longstop Date. The issuance of Redemption Shares is conditional upon the Restructuring becoming effective, but is not inter-conditional to the Restructuring. The Onshore Restructuring is neither inter-conditional with nor part of the Restructuring, but is an important component to the holistic restructuring plan for the Company which had been agreed with the Onshore Creditors.

C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS

1. Key Features of the Restructuring

Restructuring Consideration

Both the Scheme Creditors and Non-Scheme Creditors will be given the same set of Options (to which the same Option Caps apply) for the Restructuring Consideration on a *pari passu* basis, based on their election of any of or any combination of the five Options and subject to certain conditions as specified in

the Restructuring Documents, including (without limitation) the Option Cap, the Selection Mechanism and the Shareholding Structure Stability Arrangement. The key terms of which are summarised below:

(a) Option 1 — Cash Offer

Cash with an amount equal to 15% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option, provided that the Distribution Entitlement Amount exchanged under this Option shall be capped at US$813 million.

(b) Option 2 — Combination of ALC Asset Trust, FIE Asset Trust and the MCBs

Option 2A: A combination of:

i. ALC Asset Trust Instruments with a principal amount equal to 29.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option; and

ii. an amount of cash (in US$) equal to 0.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option,

provided that the Distribution Entitlement Amount exchanged under this Option shall be capped at US$1,020,339,000.

Please refer to the section headed "E. MAJOR TRANSACTION: POSSIBLE TRANSFER OF THE ALC ASSETS FOR THE PURPOSE OF THE RESTRUCTURING" below for further details on the ALC Assets.

Option 2B: If either (x) the Distribution Entitlement Amount electing into (for the avoidance of doubt, including any Non-Elected Distribution Entitlement Amount) Option 2B exceeds US$296,500,000 in aggregate, or (y) the Company determines that the FIE Asset Trust Instruments (Option 2B) shall be issued (collectively, the "**FIE Asset Trust Instruments (Option 2B) Issuance Condition**"), a combination of:

i. FIE Asset Trust Instruments (Option 2B) with a principal amount equal to the sum of (x) 99.75% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option, and (y) 30% of the accrued and unpaid interest (excluding any default interest or other special interests or fees) attributable to the outstanding principal amount of the Scheme Claim or Non-Scheme Claim corresponding to the Distribution Entitlement Amount allocated to this Option up to 31 December 2024; and

ii. an amount of cash (in US$) equal to 0.25% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option,

provided that the Distribution Entitlement Amount exchanged under this Option shall be capped at US$573,000,000.

If the FIE Asset Trust Instruments (Option 2B) Issuance Condition is not satisfied, a combination of MCB1 and MCB2 with an aggregate principal amount equal to 100% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option (the combination of which shall be determined based on the MCB Allocation Mechanism), subject to the redirection of the Redirected MCBs to the Controlling Shareholder Nominee in accordance with the Shareholding Structure Stability Arrangement.

Option 2C: If (x) the Distribution Entitlement Amount electing into (for the avoidance of doubt, including any Non-Elected Distribution Entitlement Amount) Option 2C exceeds US$348,500,000 in aggregate, and (y) the Company determines that the FIE Asset Trust Instruments (Option 2C) shall be issued (collectively, the "**FIE Asset Trust Instruments (Option 2C) Issuance Condition**"), a combination of:

i. FIE Asset Trust Instruments (Option 2C) with a principal amount equal to the sum of (x) 99.75% of the Distribution Entitlement Amount allocated to this Option, and (y) 30% of the accrued and unpaid interest (excluding any default interest or other special interests or fees) attributable to the outstanding principal amount of the Scheme Claim or Non-Scheme Claim corresponding to the Distribution Entitlement Amount up to 31 December 2024; and

ii. an amount of cash (in US$) equal to 0.25% of the Distribution Entitlement Amount allocated to this Option,

provided that the Distribution Entitlement Amount exchanged under this Option shall be capped at US$673,000,000.

If the FIE Asset Trust Instruments (Option 2C) Issuance Condition is not satisfied, a combination of MCB1 and MCB2 with an aggregate principal amount equal to 100% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option (the combination of which shall be determined based on the MCB Allocation Mechanism), subject to the redirection of the Redirected MCBs to the Controlling Shareholder Nominee in accordance with the Shareholding Structure Stability Arrangement.

(c) Option 3 — MCBs

A combination of MCB1 and MCB2 with an aggregate principal amount equal to 100% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option (the combination of which shall be determined based on the MCB Allocation Mechanism, subject to the redirection of the Redirected MCBs to the Controlling Shareholder Nominee in accordance with the Shareholding Structure Stability Arrangement). Please refer to the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue" for further details of the MCBs.

Details and Principal Features of the ALC Assets

The Company holds 50% of the shares in the ALC Project Company, which in turn (indirectly via the ALC HK Company) holds a residential development known as "The Corniche" located at No. 66 Lee Nam Road, Hong Kong comprising 296 residential units, 311 residential parking spaces, 3 residential motorcycle parking spaces and common spaces and facilities. The project was completed in the fourth quarter of 2022. KWG Group Holdings Ltd (1813.HK) holds the other 50% of shares in the ALC Project Company.

Please refer to the section headed "E. Major Transactions: Possible Transfer of the ALC Assets for the Purpose of the Restructuring" for the principal features of the ALC Assets.

Details and Principal Features of the FIE Assets

As at the date of this announcement, the FIE Assets referred to, collectively, the Company's interests in the Beishanwan Project, the Zhong Shan Project and the Zhuhai Projects.

(a) Beishanwan Project

The Company holds the Beishanwan Project indirectly via Shantou Weida Real Property Co., Ltd. (汕頭偉達房地產有限公司), a property development project in Xihai'an, Beishanwan, Shantou, that is currently under development. The Company anticipates that the Beishanwan Project will be developed into residential and commercial properties with car park spaces, with an estimated gross floor area of 306,894 square meters, and is anticipated to be completed in 5–6 years through development in phases. The Company anticipates that the construction of the Beishanwan Project can be funded by the sales proceeds of the Beishanwan Project, and any shortfall can be funded through debt financing. The Beishanwan Project

(along with the Zhuhai Projects) is expected to be an FIE Asset that will form the basis of recoveries to Scheme Creditors and Non-Scheme Creditors under the FIE Asset Trust Instruments (Option 2B).

(b) Zhuhai Projects

Sino Triumph Global Limited indirectly holds three projects in Zhuhai, Guangdong (in Taishang, Tianmu and Xunde respectively), with an estimated gross floor area of 90,400 square meters. The Zhuhai Projects are located in the Heqing area, Zhuhai Special Economic Zone. The Company anticipates that the Zhuhai Projects may be further redeveloped into commercial properties and residential apartments in the future in light of the economic development planning for the relevant regions. If the Zhuhai Projects are to be redeveloped, the gross floor area of the Zhuhai Projects is estimated to be 587,000 square meters and the Company plans to raise new financing to cover the required construction costs. The Zhuhai Projects (along with the Beishanwan Project) are expected to be FIE Assets that will form the basis of recoveries to Scheme Creditors and Non-Scheme Creditors under the FIE Asset Trust Instruments (Option 2B).

(c) Zhong Shan Project

Sunsea Yacht Club (Zhongshan) Co., Ltd. holds a project in Zhongshan with an estimated gross floor area of 1,754,000 square meters, which is anticipated to be completed in 8 to 10 years through development by phases. The Company indirectly holds 80% interests in the Zhong Shan Project. The Zhong Shan Project is a project that is currently under development, and is expected to be developed into one of the 6 marina bays for Hong Kong-Macau independent yacht travel which were approved in the Greater Bay Area, and an integrated residential project. The Company expects that the construction of this project will be funded by its sales proceeds, and any funding gap could be covered through project financing. The Zhong Shan Project (the 80% interest attributable to the Company thereof) is expected to be an FIE Asset that will form the basis of recoveries to Scheme Creditors and Non-Scheme Creditors under the FIE Asset Trust Instruments (Option 2C).

A special purpose vehicle (being the FIE Creditor SPV) will be established as an orphan trust special purpose vehicle incorporated in an offshore jurisdiction as designated by the Company. The FIE Creditor SPV will be managed by GLAS to issue the FIE Asset Trust Instruments. The incorporation of the FIE Creditor SPV and the issuance of FIE Asset Trust Instruments thereunder depends on the satisfaction of the terms as prescribed under the Restructuring Documents and the actual circumstances of the relevant projects. GLAS will acquire the right to the

net proceeds generated by each of the FIE Top HoldCos holding the relevant FIE Assets, which shall be used to make payments in accordance with the FIE Deed of Undertaking as set out below.

Principal Features of the FIE Asset Trust Instruments (Option 2B)

Under the FIE Deed of Undertaking, the FIE Top HoldCo (Option 2B) would make payments into designated collection accounts after each of the FIE Project Companies (Option 2B), FIE Intermediate HoldCos (Option 2B) and FIE Top HoldCos (Option 2B) having first paid, withhold, deduct any amount payable by them in respect of their maintenance costs and other business operation expenses etc., and any balance amounts deposited into designated collection accounts by the FIE Top HoldCo become distributable amounts, to be paid to the holders of the FIE Asset Trust Instruments (Option 2B). The FIE Asset Trust arrangement involves only the pooling of net proceeds generated from the normal course of business of the FIE Assets into designated collection accounts of the FIE Creditor SPV, and does not involve any sale, transfer or otherwise dispose of any direct or indirect legal or beneficial interests of the FIE Assets or any shares thereof.

Distributable interests shall be payable quarterly in arrears, and the FIE Principal (Option 2B) shall be redeemed on the tenth anniversary of the Original Issue Date of the FIE Asset Trust Instruments (Option 2B) in accordance with the conditions as specified in the Restructuring Documents, in each case after deducting any applicable taxes, fees, expenses and administrative costs described above.

The FIE Asset Trust Instruments (Option 2B) constitute the rights of net proceeds and limited recourse obligations of the FIE Creditor SPV against which are limited in the net proceeds and the share charged by the FIE Top HoldCos (Option 2B).

Principal Features of the FIE Asset Trust Instruments (Option 2C)

Unless otherwise provided, terms of the FIE Asset Trust Instruments (Option 2B) set out above are applicable to the FIE Asset Trust Instruments (Option 2C) *mutatis mutandis* (namely that all references to the expression "(Option 2B)" shall be construed as "(Option 2C)" and shall be deemed to have been incorporated with all conforming changes as may be required by context.

Reallocation and Option Caps

The allocation of Restructuring Consideration to each Scheme Creditor and Non-Scheme Creditor shall be determined based on the following mechanism, which is designed with a view of ensuring a fair and equitable allocation of each Option amongst the creditors (the "**Selection Mechanism**").

The Selection Mechanism shall take place in three phases, whereupon:

(1) **Phase 1**: Each Scheme Creditor and Non-Scheme Creditor shall be entitled to allocate their Distribution Entitlement Amounts to Option 1. To the extent that elections are made exceeding the Option Cap for Option 1, Scheme Creditors and Non-Scheme Creditors who elected this Option will receive the Restructuring Consideration for this Option on a pro rata basis, and any excesses over the Option Cap can be re-allocated to the other Options.

(2) **Phase 2**: Each Scheme Creditor and Non-Scheme Creditor shall be entitled to allocate their (residual) Distribution Entitlement Amounts (after deducting any allocations of their Distribution Entitlement Amounts which are allocated to Option 1 in Phase 1, if applicable) to Option 2A, Option 2B, Option 2C and/or Option 3. To the extent that elections are made exceeding the Option Cap for the relevant Option, Scheme Creditors and Non-Scheme Creditors who elected that Option will receive the Restructuring Consideration for that Option on a pro rata basis, and any Distribution Entitlement Amounts which constitute the oversubscribed portion will be deemed to have been allocated to Phase 3.

(3) **Phase 3**: Any (residual) Distribution Entitlement Amounts (after deducting any allocations of their Distribution Entitlement Amounts which are allocated to other Options in Phase 1 and Phase 2 above, if applicable) will be allocated to Option 3.

In respect of Phase 3 above, the Scheme Administrator shall determine the Total MCB Issue Amount and, after deducting the Redirected Proportion in accordance with the Shareholding Structure Stability Arrangement, determine the MCB entitlement amount of each Scheme Creditor, Non-Scheme Creditor and the Shareholder Parties. Under the Total MCB Issue Amount, MCB1 and MCB2 have a fixed issuance proportion of 75% and 25%, respectively. If the subscription amount for MCB1 or MCB2 exceeds its respective fixed issue size, MCB1 or MCB2 (as applicable) shall be allocated to each creditor and the Shareholder Parties on a *pro rata* basis, and any subscription amount in excess of the fixed issue size for MCB1 or MCB2 shall be reallocated to MCB2 or MCB1 (as applicable), and shall be deemed to have been allocated to the subscription for MCB1 or MCB2 (as applicable).

To the extent any of the Scheme Creditors, Non-Scheme Creditors or Shareholder Parties fails to validly allocate their MCB entitlement amount in accordance with the instructions contained in the Solicitation Packet, all MCB entitlement amount of such party shall be deemed to be allocated to MCB1. To the extent any Scheme Creditors, Non-Scheme Creditors or Shareholder Parties who fail to make any election in respect of any portion of its Distribution Entitlement Amount by the election deadline as specified in the Restructuring

Documents (such amount being the "**Non-Elected Distribution Entitlement Amount**"), the Non-Elected Distribution Entitlement Amount shall be allocated to the Default Option.

Each Option is subject to the following cap (each, an "**Option Cap**") to which all Distribution Entitlement Amounts are subject:

Option	**Option Cap**
Option 1	US$813,000,000
Option 2A	US$1,020,339,000
Option 2B	US$573,000,000
Option 2C	US$673,000,000
Option 3	Uncapped

Conditions Precedent to the Restructuring

The Restructuring is conditional upon the following conditions being satisfied or waived prior to the Restructuring Effective Date, including:

(1) the occurrence of the Scheme Effective Date;

(2) the obtaining of all necessary approvals, pre-approvals or other consents required to implement the Restructuring;

(3) any work fee (as defined in the work fee letter dated 10 January 2025 entered into by and amongst the Company and the Ad Hoc Group and as amended pursuant to a supplemental agreement dated 10 September 2025 and as may be further amended from time to time) that falls due on or prior to the Restructuring Effective Date has been or will be paid in full on the Restructuring Effective Date;

(4) any CSA Fees (as defined in the Creditor Support Agreement) owing by the Company to any Consenting Creditor that falls due on the Restructuring Effective Date has been or will be paid in full on the Restructuring Effective Date;

(5) any early-bird consent fee (as defined in the relevant Creditor Support Letter) that falls due on the Restructuring Effective Date owing by the Company to any Consenting Creditor who:

   (a) has executed and delivered to the Company a validly completed support letter in substantially the form set out in the Creditor Support Letter on or prior to the deadline stipulated in such Creditor Support Letter; and

   (b) has complied with all conditions of payment stipulated in such Creditor Support Letter,

has been or will be paid in full on the Restructuring Effective Date.

(6) the professional fees of PJT Partners and Freshfields associated with the Restructuring that fall due on or prior to the Restructuring Effective Date pursuant to the terms of the relevant fee letters has been or will be paid in full on or prior to the Restructuring Effective Date;

(7) the incorporation of the ALC Creditor SPV;

(8) If *either*

(a) the FIE Asset Trust Instruments (Option 2B) Issuance Condition is satisfied; or

(b) the FIE Asset Trust Instruments (Option 2C) Issuance Condition is satisfied,

the incorporation of the FIE Creditor SPV.

(9) the Scheme Administrator has notified the Scheme Creditors, the Non-Scheme Creditors, the Controlling Shareholder Nominee and the Company of:

(a) the MCB Issue Amount (as of the Restructuring Effective Date);

(b) the number of Redirected Shares to be issued to the Controlling Shareholder Nominee;

(c) the Redirected Proportion;

(d) the nominal conversion price in respect of the MCBs;

(e) the Default Option;

(f) the aggregate Distribution Entitlement Amount of all Scheme Creditors and Non-Scheme Creditors;

(g) the aggregate Option 1 Allocated Amount of all Scheme Creditors and Non-Scheme Creditors;

(h) the aggregate Option 2A Allocated Amount of all Scheme Creditors and Non-Scheme Creditors;

(i) the aggregate Option 2B Allocated Amount of all Scheme Creditors and Non-Scheme Creditors;

(j) the aggregate Option 2C Allocated Amount of all Scheme Creditors and Non-Scheme Creditors; and

(k) (in respect of each Scheme Creditors, each Non-Scheme Creditor and the Controlling Shareholder Nominee) its respective MCB1 Allocated Amount and MCB2 Allocated Amount.

(10) If:

(a) the Ad Hoc Group holds the Minimum AHG Threshold (as defined in the Creditor Support Agreement); and

(b) there are any amendments to the forms of any Agreed Form Restructuring Documents (as defined in the Creditor Support Agreement) as appended to the Explanatory Statement which are:

(i) made after the date of the initial practice statement letter in respect of the Schemes and prior to the Scheme Meeting; and

(ii) not requested, directed or ordered by the Courts,

such amendments are in Agreed Form (as defined in the Creditor Support Agreement).

(11) The deposit of the signed but undated definitive documentation for the Relevant ALC Assets Transfer (as defined in the ALC Asset Trust Instruments Documents) with the Company's legal advisor, to be held in escrow subject to the terms set out in the ALC Asset Trust Instruments Documents (including clause 2.3 of the deed of undertakings to be entered into between the Company and the ALC Asset Trust Instruments Issuer).

As at the date of this announcement, save and except conditions (1) and (10) above, none of the other conditions precedent has been satisfied or waived. The Company is confident that it will be able to satisfy the Restructuring Conditions on or prior to the Longstop Date.

Non-Scheme Claims

Creditors of the Scheme Claims and Non-Scheme Claims will be given the same set of Options (to which the same Option Caps apply) for the Restructuring Consideration on a *pari passu* basis, based on their election of the Options and subject to certain conditions as specified in the Restructuring Documents, including (without limitation) the Option Cap, the Selection Mechanism and the Shareholding Structure Stability Arrangement.

The Company believes that it is fair and equitable to allow such Non-Scheme Creditors to share the same pool of Restructuring Consideration based on the same Selection Mechanism, on the following basis:

(i) all of these claims are debts borrowed by or guaranteed by the Company as its general unsecured liabilities and such arrangement has been contemplated in the Creditor Support Agreement since January 2025; and

(ii) the Non-Scheme Claims are expected to have an aggregate Distribution Entitlement Amount of not more than US$126 million, and accordingly are not likely to have a significant impact on the distribution of the Scheme Entitlements under the Selection Mechanism.

2. Further terms of the MCBs

The principal terms of the MCBs are set out below:

Issuer:	The Company
Issue Date:	Restructuring Effective Date (which is also the Original Issue Date)
Principal Amount:	The Total MCB Issue Amount shall be determined based on (1) the Distribution Entitlement Amount of Scheme Creditors and/or Non-Scheme Creditors who voluntarily elect Option 3; (2) the Distribution Entitlement Amount of Scheme Creditors and/or Non-Scheme Creditors which are deemed to have been elected into Option 3 as the Default Option; (3) (to the extent the Restructuring Consideration to be issued for Option 2B or Option 2C (as applicable) comprises MCBs due to the failure to satisfy the FIE Asset Trust Instruments (Option 2B) Issuance Condition or the FIE Asset Trust Instruments (Option 2C) Issuance Conditions) the Distribution Entitlement Amount allocated into Option 2B or Option 2C (as applicable). **MCB1** 75% of the Total MCB Issue Amount. No lock-up will apply to the ordinary shares issued on conversion of MCB1.

MCB2
25% of the Total MCB Issue Amount. Holders of MCB2 may elect to voluntarily convert their MCB2 into MCB2 Conversion Shares. MCB2 Conversion Shares, whether by voluntary or mandatory conversion, will be subject to the lock-up arrangement pursuant to which (i) 50% of such shares may not be disposed of until the date falling 18 months after the Restructuring Effective Date, and (ii) the remaining 50% of such shares may not be disposed of until the date falling 24 months after the Restructuring Effective Date.

Under the Low-end Probable Case, the Total MCB Issue Amount is US$6,161,661,000, and a total number of 12,777,159,300 MCB Conversion Shares would be issued. Under the High-end Probable Case, the Total MCB Issue Amount is US$7,103,971,000, and a total number of 15,013,568,536 MCB Conversion Shares would be issued. Further details to the issuance of MCBs are disclosed in the section headed "D. POTENTIAL EFFECTS OF THE ISSUE OF THE MCB CONVERSION SHARES ON THE SHAREHOLDING STRUCTURE OF THE COMPANY" below.

Interest: The MCBs are not interest bearing.

Maturity Date: No later than 363 days from the Restructuring Effective Date.

Conversion Price: Subject to the adjustment mechanism for the conversion price specified in the terms of the applicable series of the MCBs:

(a) in respect of MCB1, the Effective Conversion Price shall be HK$7.2 per Share (whether Optional Conversion, Trigger Conversion or Mandatory Conversion); and

(b) in respect of MCB2, the Effective Conversion Price shall be HK$4.0 per Share (whether voluntary conversion, Trigger Conversion or Mandatory Conversion).

in each case, subject to the adjustments to the conversion price pursuant to the Shareholding Structure Stability Arrangement as described in Part 2 (Overview of the Restructuring (including the Schemes) of the Explanatory Statement).

For illustrative purposes, if each series of MCBs is converted into Shares pursuant to and in accordance with the minimum conversion requirements, the weighted average Effective Conversion Price (as defined below) of all MCBs is HK$6.00 per Share, calculated by the following formula:

$$\frac{F \times 75\%}{7.2} + \frac{F \times 25\%}{4}$$

F being the aggregate amount of MCBs expected to be issued on the Restructuring Effective Date.

The "**Effective Conversion Price**" refers to the effective conversion price in respect of the existing principal amount before taking into account any upward or downward adjustments to the conversion price required in order to ensure that the Shareholding Structure Stability Arrangement is implemented. Taking into account the MCB entitlement amount to be redirected to the Controlling Shareholder Nominee for the implementation of the Shareholding Structure Stability Arrangement (see "Shareholding Structure Stability Arrangement" below), the nominal conversion price of the MCBs will be adjusted accordingly. According to the Shareholding Structure Stability Arrangement, creditors will direct (and be deemed to have directed) the Redirected MCBs to be issued to the Controlling Shareholder Nominee to enable the Shareholder Parties to hold not less than 42% of the total share capital of the Company following the Restructuring Effective Date. Accordingly, the "weighted average Effective Conversion Price" will be HK$6.00 per Share if the MCBs are converted into Shares pursuant to and in accordance with the minimum conversion requirements.

The Effective Conversion Price of HK$6.00 per Share represents:

(a) a premium of approximately 545% over the closing price of HK$0.93 per Share as quoted on the Stock Exchange on 10 January 2025, being the date of the Creditor Support Agreement;

(b) a premium of approximately 429% over the closing price of HK$1.135 per Share as quoted on the Stock Exchange on the date of this announcement;

(c) a premium of approximately 432% over the closing price of HK$1.127 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of this announcement; and

(d) a premium of approximately 69% over the net asset value per Share attributable to the Shareholders as at 30 June 2026 of approximately HK$3.55 per Share as set out in the interim report of the Company for the six months ended 30 June 2026 (based on the value of net asset and the number of Shares of the Company (excluding treasury shares) as at the date of this announcement).

The conversion price was determined based on arm's length negotiations between the Company and the Ad Hoc Group after taking into account, among other things, the Share price performance and the assessment of acceptability of the Scheme Creditors and Non-Scheme Creditors towards the terms of the Restructuring with a view to achieving a sustainable capital structure.

Based on each of the Low-end and High-end Probable Case, the weighted nominal conversion price is HK$3.69 to HK$3.76 per Share, taking into account the Shareholding Structure Stability Arrangement. The weighted nominal conversion price is calculated as follows:

$$\frac{F}{B+C}$$

F: the aggregate amount of MCBs expected to be issued on the Restructuring Effective Date

B: the number of Shares corresponding to the amount of MCBs issued to creditors under the Restructuring, converted at HK$6.00 per Share

C: the number of Shares corresponding to the Redirected MCBs under the Shareholding Structure Stability Arrangement

The weighted nominal conversion price of HK$3.76 per Share (being the weighted nominal conversion price under the Low-end Probable Case) represents:

(a) a premium of approximately 304% over the closing price of HK$0.93 per Share as quoted on the Stock Exchange on 10 January 2025, being the date of the Creditor Support Agreement;

(b) a premium of approximately 231% over the closing price of HK$1.135 per Share as quoted on the Stock Exchange on the date of this announcement;

(c) a premium of approximately 234% over the closing price of HK$1.127 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of this announcement; and

(d) a premium of approximately 6% over the net asset value per Share attributable to the Shareholders as at 30 June 2026 of approximately HK$3.55 per Share as set out in the interim report of the Company for the six months ended 30 June 2026 (based on the value of net asset and the number of Shares of the Company (excluding treasury shares) as at the date of this announcement).

Adjustment events: Both MCB1 and MCB2 have a maturity date of no more than 363 days from the Original Issue Date. MCB1 has a conversion window occurring every three months on and after the Original Issue date, with any outstanding balance mandatorily converted on the MCB Maturity Date, resulting in conversion being completed across five tranches in total. MCB2 may be voluntarily converted before the MCB Maturity Date, or be mandatorily converted into MCB2 Conversion Shares on the MCB Maturity Date, subject to the applicable lock-up restrictions. During the terms of the MCBs, the Company considers that it is unlikely that any of the following events, which would trigger an adjustment to the MCB conversion price, will occur.

For completeness, subject to the terms of the MCBs, the conversion price for each of the MCB1 and MCB2 shall be subject to adjustment upon the occurrence of the following events:

(a) Consolidation, Subdivision, Redesignation or Reclassification

If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision, redesignation or reclassification, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

Where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date such consolidation, subdivision, redesignation or reclassification takes effect.

(b) Capitalisation of Profits or Reserves

(i) If and whenever the Company shall issue any Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account) including Shares paid up out of distributable profits or reserves and/or share premium account (except for any Scrip Dividend) and which would not have constituted a capital distribution, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

Where:

A is the aggregate number of the issued Shares immediately before such issue; and

B is the aggregate number of the issued Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

(ii) In the case of an issue of Shares by way of a Scrip Dividend where the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price per Share on the date of announcement of the terms of such Scrip Dividend exceeds 115% of the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a capital distribution, the conversion price shall be adjusted by multiplying the conversion price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate number of the issued Shares immediately before such issue;

B is the aggregate number of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (a) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend for which Shareholders have elected to receive as Shares issued by way of Scrip Dividend and (b) the denominator is the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price per Share on the date of such announcement; and

C is the aggregate number of Shares issued by way of such Scrip Dividend;

Such adjustment shall become effective on the date of issue of such Shares issued by way of Scrip Dividend or if a record date is fixed therefor, immediately after such record date.

(c) Capital Distributions

If and whenever the Company shall pay or make any capital distribution to the Shareholders (except to the extent that the conversion price falls to be adjusted under subsection (b) above), the conversion price shall be adjusted by multiplying the conversion price in force immediately before such Capital Distribution by the following fraction:

$$\frac{A-B}{A}$$

Where:

A is the Current Market Price per Share on the date on which the capital distribution is first publicly announced; and

B is the Fair Market Value of the portion of the capital distribution on the date of such announcement attributable to one Share.

Such adjustment shall become effective on the date that such capital distribution is actually made or paid or if a record date is fixed therefor, immediately after such record date. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**") be determined as at the date on which the capital distribution is first publicly announced or, if later, the first date on which the Fair Market Value of the relevant capital distribution is capable of being determined as provided herein.

In making any calculation pursuant to this subsection (c), such adjustments (if any) shall be made as an Independent Financial Adviser may consider appropriate to reflect (1) any consolidation or subdivision of the Shares, (2) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event, (3) the modification of any rights to dividends of Shares or (4) any change in the fiscal year of the Company.

(d) Issues of Shares or Options over Shares

If and whenever the Company shall issue 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% of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate number of Shares in issue immediately before such announcement;

B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and

C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

(e) Issues of Other Securities

If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) 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, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue or grant by the following fraction:

$$\frac{A-B}{A}$$

Where:

A is the Current Market Price per Share on the date on which such issue or grant is publicly announced; and

B is the Fair Market Value per Share on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**") be determined as at the date on which the terms of such issue or grant are publicly announced, or if later, the first date on which the Fair Market Value of the aggregate rights attributable to the Shares in relation to such issue or grant is capable of being determined as provided herein.

(f) Issues at less than Current Market Price

If and whenever the Company shall issue (otherwise than as mentioned in subsection (d) or (j)) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or shall issue or grant (otherwise than as mentioned in subsection (d) or (j)) 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% of the Current Market Price on the date of the first public announcement of the terms of such issue, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares;

B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such Current Market Price per Share; and

C is the aggregate number of such additional Shares being issued.

References to additional Shares in the above formula shall, in the case of an issue by the Company of options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue of such options, warrants or other rights.

(g) Other Issues at less than Current Market Price

Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this subsection (g), if and whenever the Company or any of its Subsidiaries (otherwise than as mentioned in this condition (d), (e), (f) or (j)) 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, shall issue any securities (other than the Bonds) 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% of the Current Market Price on the date of the first public announcement of the terms of issue of such securities, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate number of Shares in issue immediately before such issue;

B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share on the date of such announcement; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Such adjustment shall become effective on the date of issue of such securities.

(h) Modification of Rights of Conversion etc.

If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in subsection (g) (other than in accordance with the terms of such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 85% of the Current Market Price on the date of announcement of the proposals for such modification, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

A is the aggregate number of Shares in issue immediately before such modification;

B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share on the date of such announcement or, if lower, the existing conversion, exchange or subscription price of such securities; and

C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an Independent Financial Adviser considers appropriate (if at all) for any previous adjustment under this subsection (h) or subsection (g).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

(i) Other Offers to Shareholders

If and whenever 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 issues, sells or distributes 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 (except where the conversion price falls to be adjusted under subsection (d), (f), (g) or (j)), the conversion price shall be adjusted by multiplying the conversion price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A-B}{A}$$

Where:

A is the Current Market Price per Share on the date on which such issue, sale or distribution is publicly announced; and

B is the Fair Market Value of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "**Fair Market Value**") be determined as at the date on which the terms of such issue, sale or distribution of securities are first publicly announced or, if later, the first date on which the Fair Market Value of the portion of the aggregate rights attributable to the Shares is capable of being determined as provided herein.

(j) Anti-Dilution Adjustment

Notwithstanding anything to the contrary in this section headed "Adjustment Events", in the event that the Company issues additional Shares, or convertible instruments with respect to Shares to creditors of the Company's existing indebtedness (a "**Relevant Anti-Dilutive Issuance**"), which results in a decrease of the Controlling Shareholder's Ownership Percentage, the Bondholders' Ownership Percentage and the Other MCBs holders' Ownership Percentage, the Company may, in its discretion, arrange the relevant creditors to transfer a portion of such Shares or instruments issued to themselves to the Controlling Shareholder and the Bondholders, as applicable, (a "**Share Transfer**") in accordance with Schedule I. For the avoidance of doubt, the Company is not obliged to take any action under this subsection(j). In the event that the Company elects to take any action under this subsection(j), the Company shall provide a notice to the Bondholders, the Trustee and the Agents as soon as reasonably practicable setting forth the relevant details of the Relevant Anti-Dilutive Issuance, and the actions that the Company elects to take under this subsection(j). The Company will provide instructions to the Bondholders of then outstanding Bonds to receive the benefits of such actions. For the avoidance of doubt, if the Company elects to effectuate a Share Transfer (as defined in the trust deed constituting the Other MCBs) to the holders of Other MCBs pursuant to the terms and conditions of the Other MCBs, the Company shall effectuate a Share Transfer hereunder.

(k) Other Events

If the Company determines that an adjustment should be made to the conversion price as a result of one or more events or circumstances not referred to in the subsection headed "Conversion Events/ Period" below, the Company shall, at its own expense, consult an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the conversion price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the conversion price, and the date on which such adjustment should take effect and upon such determination by the Independent Financial Adviser such adjustment (if any) shall be made and shall take effect in accordance with such determination, *provided that* where events or the circumstances giving rise to any adjustment pursuant to this subsection have already resulted or will result in an adjustment to the conversion price or where the circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the conversion price, such modification (if any) shall be made to the operation of the provisions of this subsection as may be advised by the Independent Financial Adviser to be in its opinion appropriate to give the intended result. Notwithstanding the foregoing, the per Share value of any such modification shall not exceed the per Share value of the dilution in the Shareholders' interest in the Company's equity caused by such events or circumstances.

Notwithstanding anything to the contrary in this subsection, no adjustment to the conversion price shall be made in connection with, or as result of, any issuance of shares or convertible instruments pursuant to (x) the Restructuring (whether or not issued on the RED); (y) the restructuring of any perpetual securities of the Company outstanding on the RED; (z) any management incentive plan of the Company; and/or (aa) the Restructuring of Onshore Debt, in each case, in accordance with the publicly announced terms thereof prior to the Restructuring Effective Date.

For the avoidance of doubt, in the event that the conversion price shall be adjusted in accordance with this subsection, and such adjustments will become effective on or prior to the date falling twelve months after the Original Issue Date, such adjustments shall be applied in the same manner to both the conversion price with respect to any conversion, the conversion date of which falls no more than twelve months after the Original Issue Date, and the conversion price with respect to any conversion, the conversion date of which falls at least twelve months after the Original Issue Date.

Shareholding Structure Stability Arrangement:

In order to maintain a stable shareholding structure, the Scheme Creditors and Non-Scheme Creditors shall direct (and is deemed to have directed) the Scheme Administrator to arrange for a certain portion of the MCB entitlement amount originally attributable to such creditors to be issued and allocated to the Controlling Shareholder Nominee, such that upon completion of the Restructuring, the Shareholder Parties shall hold not less than 42% of the issued share capital of the Company on a fully diluted basis and on the basis of full conversion of the MCBs.

Of the total number of Shares issuable on conversion of the MCBs issued to the creditors at the nominal conversion price, a portion of those MCB entitlement amount must be issued and allotted to the Controlling Shareholder Nominee, in the proportion specified under the Shareholding Structure Stability Arrangement. The Scheme Creditors, Non-Scheme Creditors and the Controlling Shareholder Nominee may fairly and voluntarily elect MCB1 and MCB2, subject to a fixed issuance proportion of MCB1 and MCB2 at 75% and 25%, respectively.

Of the total number of Shares issuable on conversion of the MCBs issued to the Scheme Creditors at the nominal conversion price, after excluding the shares issuable upon conversion of the Redirected MCBs, the weighted average Effective Conversion Price of the MCBs issued to all creditors is HK$6.00 per Share.

Conversion Events/ Period:

The MCB may be converted to the MCB Conversion Shares in accordance with the events under "Initial Conversion", "Optional Conversion", "Trigger Conversion" and "Mandatory Conversion" below, *provided that*, upon the occurrence of a Conversion Suspension Event, all voluntary and mandatory conversion under the MCBs shall be suspended and deferred until the relevant Conversion Suspension Event is remedied.

Initial Conversion

Each holder of MCB1 may convert the MCB1 held by it, in whole or in part, into the Shares by delivering a conversion notice at any time during the following 'Initial Conversion Period', whereupon the Company will take all necessary actions to procure the delivery of the Shares so converted by no later than the Initial Conversion Settlement Date.

"**Initial Conversion Period**" means the period from (and including) the Original Issue Date and up to (but excluding) the 7th business day immediately following the Original Issue Date.

"**Initial Conversion Settlement Date**" means the 27th business day after the Original Issue Date.

Optional Conversion

Holders of MCB1 shall have the option to convert their MCB1 into Shares during the optional conversion windows. Such Shares shall be converted and settled by no later than the corresponding Optional Conversion Settlement Date.

"**Optional Conversion Settlement Date**" means any of the following dates:

(a) the date falling 3 months after the Original Issue Date;

(b) the date falling 6 months after the Original Issue Date; and

(c) the date falling 9 months after the Original Issue Date.

"**Minimum Conversion Requirements**" means a minimum aggregate conversion of 44% of the MCB1 issue amount (whether by voluntary or mandatory conversion) as at the Restructuring Effective Date.

Trigger Conversion

Provided that no Conversion Suspension Event has occurred and is continuing, each holder of each series of the MCBs may convert such series of the MCBs held by it, in whole or in part, into the Shares at the Trigger Conversion Price by delivering a conversion notice at any time during the Trigger Conversion Period.

"**Trigger Conversion Period**" means the period from (and including) the date of the Trigger Event up to (and excluding) seventh (7th) business days after the date of Trigger Event.

"**Trigger Event**" means a public announcement made by the Company regarding (i) an offer made to the shareholders of the Company to acquire all or a majority of the issued equity share capital of the Company, or (ii) the disposal of assets by the Company which would constitute a major transaction with reference to the listing rules of the HKEX (save for any disposal in connection with the Restructuring).

"**Trigger Conversion Price**" means the conversion price applicable to the later of (i) the Conversion Settlement Date falling immediately prior to the Trigger Event and (ii) the Original Issue Date.

Mandatory Conversion

Mandatory conversion prior to the MCB Maturity Date is only required if and to the extent the optionally converted MCBs are not sufficient to satisfy the Minimum Conversion Requirements. If the optionally converted MCB1s satisfy the Minimum Conversion Requirements, no mandatory conversion shall take place on the relevant Mandatory Conversion Date.

Events of Default

The following events shall constitute events of default under the MCBs:

(1) a winding-up order (or analogous orders) is made against the Company;

(2) delisting of the Shares from the Hong Kong Stock Exchange; and

(3) upon the occurrence of the failure by the Company to deliver the MCB Conversion Shares in accordance with the conditions as set out in each of the MCB1 Trust Deed and MCB2 Trust Deed, and such failure continues for more than 15 business days.

Conversion Suspension Event

A Conversion Suspension Event shall include (i) the occurrence of winding-up proceedings (or analogous proceedings) against the Company; (ii) the delisting of the Shares from the Stock Exchange; and (iii) the failure to deliver MCB Conversion Shares (subject to any grace period thereunder) following delivery of duly completed conversion notice from the holders of MCBs.

Upon the occurrence of a Conversion Suspension Event, all voluntary and mandatory conversion under the MCBs shall be suspended and deferred to the earliest date on which the Trustee can process the conversions after the relevant Conversion Suspension Event is remedied (such date, being the "**Resumption Date**"). On any Resumption Date, a number of the MCBs shall be mandatorily converted to satisfy the Minimum Conversion Requirements, as if the MCBs are deemed to be converted on all Mandatory Conversion Dates prior to that Resumption Date in accordance with the conversion price above.

Redemption Events:

(a) Redemption at the Option of the Company

Subject to the redemption restriction set out below and the other terms and conditions of the MCB, on giving not less than 15 business days' notice to the holders of the MCB and to the trustee and principal agent (which notice shall be irrevocable), the Company may redeem all or any part of the MCB on the date specified in the notice at their principal amount as at such date, at any time.

(b) Redemption for Taxation

Subject to the terms and conditions of the MCB, at any time the Company may, having given not less than 15 business days' notice to the holders of the MCB, the trustee and the principal agent (which notice shall be irrevocable) redeem all but not some only of the MCB at their principal amount as at such date if (i) the Company has or will become obliged to pay additional taxation amounts as a result of any change in, or amendment to, the laws or regulations of the relevant jurisdictions, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it.

Credit Enhancement: There will be no credit enhancement for the MCBs.

Voting Rights: The MCB does not confer any right to its holders to attend or vote in any general meeting of the Company.

Transferability: Save and except the lock-up arrangements applicable to MCB2 Conversion Shares and the lock-up undertakings by the Controlling Shareholders for the redirected MCBs (including any conversion shares to be issued thereunder), the rest of the MCBs are freely transferrable.

3. Connected MCB Issue

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Company owes certain Non-Scheme Claims to the Connected Creditors, namely:

(i) the loans in the aggregate outstanding principal amount of approximately US$101 million owed by the Company to Junxi Investments, an investment holding company ultimately wholly owned by a family discretionary trust of which Mr. Kei Hoi Pang ("**Mr. Kei**") is the representative of the beneficiary(ies) of such family discretionary trust; and

(ii) a portion of the 5.25% senior notes due 23 February 2023 (ISIN: XS1618597535) issued by the Company with an outstanding principal amount of US$20 million held by Prance Thrive, a company wholly owned by Mr. Kei.

Each of the Connected Creditors is a connected person of the Company under Chapter 14A of the Listing Rules.

Same as Scheme Creditors and Non-Scheme Creditors, and subject to the Connected Creditors' selection and the reallocation mechanism described above under "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 1. Key Features of the Restructuring — Reallocation and Option Caps", the relevant claims held by the Connected Creditors may be exchanged into MCB on a *pari passu* basis with the other creditors, based on their election of the Options and subject to certain conditions as specified in the Restructuring Documents.

Shareholding Structure Stability Arrangement

In light of the financial difficulties currently faced by the Group, the Company has proactively sought to holistically resolve its indebtedness by way of the Restructuring. The issuance of the MCBs is an inter-conditional arrangement under the Restructuring, and the Shareholding Structure Stability Arrangement forms an integral part of the issuance of the MCBs. As part of the Restructuring, in order to maintain a stable shareholding structure and management, each Scheme Creditor and Non-Scheme Creditor shall direct (and is deemed to have directed) the Scheme Administrator to issue and allocate a certain portion of the MCB entitlement amount to the Controlling Shareholder Nominee on the Restructuring Effective Date and (to the extent the holdings of any Scheme Creditors are not distributed on the Restructuring Effective Date) in accordance with the terms of the Holding Period Trust Deed, which shall be issued on the same terms as the MCBs issued under Option 3. The Scheme Administrator will, based on the aggregate MCB entitlement amount allocated to each Scheme Creditor and Non-Scheme Creditor, then issue and allot corresponding MCB entitlement amount to the Controlling Shareholder Nominee in the relevant proportion, such that upon completion of the Restructuring, the Shareholder Parties shall hold not less than 42% of the issued share capital of the Company on a fully diluted, and as-converted basis (the "**Shareholding Structure Stability Arrangement**").

The 42% shareholding is calculated taking into account (a) the 4,261,081,250 Shares held by the Shareholder Parties, and the shares to be converted under the Redirected MCBs issued to the Controlling Shareholder Nominee, and (b) in the denominator, any shares or convertible instruments which are issued or to be issued pursuant to the Restructuring (including under Option 2B, Option 2C, Option 3, and taking into account any allocation of the Non-Elected Distribution Entitlement Amount into the Default Option), the restructuring of any perpetual securities issued by the Company, any management incentive plan and/or any Onshore Restructuring). For the purpose of the foregoing, the Restructuring Documents shall deem each Scheme Creditor and Non-Scheme Creditor to have directed the scheme administrator to allocate certain proportion of MCB entitlement amount (the "**Redirected MCBs**", the amount of which and the calculation methodology shall be set out in the long-form

documentation) to be issued and allocated to the Controlling Shareholder Nominee on or after the Restructuring Effective Date in accordance with the terms of the Restructuring Documents.

In respect of the Redirected MCBs and the conversion shares issuable under the Redirected MCBs directed to be issued and allocated to the Controlling Shareholder Nominee pursuant to the Shareholding Structure Stability Arrangement, the Controlling Shareholder Nominee shall ensure that such Redirected MCBs and MCB Conversion Shares may not be sold until the earlier of:

(1) the date on which the per-share price of the Company reaches HK$6.00 per Share; and

(2) 42 months from the Restructuring Effective Date.

The Company is of the view that it is necessary and appropriate, and would be in the interests of the Company's creditors and shareholders for the Shareholder Parties to retain not less than 42% shareholding in the Company via the implementation of the Shareholding Structure Stability Arrangement, for the following reasons:

(a) the arrangement of maintaining the Shareholder Parties' shareholding to hold not less than 42% shareholding of the Company forms part of the overall terms of the Restructuring. The 42% threshold was determined after arm's length negotiation between the Group, the controlling shareholder and the creditors, and represents a position accepted by the parties to the Restructuring, which seeks to ensure stability in the management and ownership of the Company during the implementation of the Restructuring (by maintaining the Shareholder Parties in a position of control) and the stability of the Group's future ongoing business operations;

(b) even with the implementation of the Shareholding Structure Stability Arrangement, the Shareholder Parties will still face substantial dilution. On a fully diluted basis, the Shareholder Parties' shareholding will decrease from approximately 74.95% to not less than 42% upon completion of the Restructuring, representing a reduction of approximately 33 percentage points in shareholding. Such dilution also represents the greatest extent of dilution to a controlling shareholders' shareholding among comparable China real estate companies adopting restructuring proposal in recent years;

(c) the controlling shareholder has actively negotiated with the creditors to resolve the Company's offshore indebtedness in full by way of equity dilution and concessions, which will benefit the Company's future development once its offshore indebtedness is resolved. The Company has received support from the creditors on the implementation of the Shareholding Structure Stability Arrangement, as it aligns the interests of the controlling shareholder with those of creditors and minority shareholders, to create value together and reinforcing confidence in the capital markets;

(d) without the Shareholding Structure Stability Arrangement, the Shareholder Parties (which currently hold ~74.95%) would be diluted to ~24–26% following conversion of the MCBs, the restructuring of the Perpetual Securities, the Onshore Restructuring and the Management Incentive Plan, and will lose *de facto* control in the Company. Therefore, the Shareholding Structure Stability Arrangement is essential to ensure the relative stability in the equity structure of the Company, composition of the Board of directors and business management; and

(e) The Restructuring, including the Shareholding Structure Stability Arrangement, has been approved by the Scheme Creditors in the Scheme Meeting.

The Shareholding Structure Stability Arrangement forms part of the MCB option under the Restructuring. It is intended to support the implementation of the debt restructuring by the Company, thereby reducing the Company's debt burden and enabling it to resume normal business operations, which in turn help enhancing the value of the Company's equity and is in the overall interests of the Company and its Shareholders.

Under both the Low-end and High-end Probable Case for MCB issuance, the Scheme Administrator will calculate the aggregate number of Shares issuable upon conversion of the MCBs by reference to a nominal weighted average conversion price of HK$3.76 to HK$3.69 per Share to calculate the total number of Shares issuable upon conversion of the MCBs. The nominal weighted average conversion price represents a significant premium to the Company's current share price on the secondary market, which the Company considers to be fair and reasonable to Independent Shareholders. In addition, pursuant to the Controlling Shareholder Lock-Up Letter, the Controlling Shareholder Nominee has undertaken, for the benefit of the Shareholders as a whole, not to sell, transfer or otherwise dispose of such MCB Conversion Shares until the earlier of (i) the date on which the closing price per Share, as quoted on the daily quotation sheets of the HKEX, is equal to or exceeds HK$6.00 per Share; and (ii) 42 months from the Restructuring Effective Date.

Based on the foregoing reasons, the Board (including the independent non-executive Directors) is of the view that Shareholding Structure Stability Arrangements and the maintenance of the Shareholder Parties' interests at not less than 42% are fair and reasonable to Independent Shareholders and in the interests of the Company.

Application for Listing

An application will be made for the listing and quotation of the MCBs on the SGX or another internationally recognized stock exchange.

An application will be made by the Company to the Stock Exchange for listing of, and permission to deal in, the MCB Conversion Shares.

Specific Mandate

The Company will seek at the Extraordinary General Meeting the Specific Mandate from the Shareholders for the allotment and issue of the MCB Conversion Shares. The issue of the MCBs and the transactions contemplated thereunder are subject to the passing of the ordinary resolution approving the Specific Mandate by the Independent Shareholders at the Extraordinary General Meeting.

D. POTENTIAL EFFECTS OF THE ISSUE OF THE MCB CONVERSION SHARES ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Shareholder Parties held approximately 74.95% and the other Shareholders held approximately 25.05% of the issued share capital of the Company.

The allocation of the MCB to Scheme Creditors and Non-Scheme Creditors (including the Connected Creditors) is subject to selection and the reallocation mechanism as disclosed in section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 1. Key Features of the Restructuring — Reallocation and Option Caps" above, which is not determined as at the date of this announcement.

The tables below illustrates the shareholding structure of the Company in the scenario where minimum number of the MCBs will be issued as Restructuring Consideration after the selection and the reallocation mechanism (the "**Low-end Probable Case**") and the scenario where the maximum number of the MCBs will be

issued as Restructuring Consideration after the selection and the reallocation mechanism (the "**High-end Probable Case**") immediately upon full conversion of the MCBs, and based on the following general assumptions:

(a) a Restructuring Consideration of US$9.2 billion, based on recovery analysis prepared by an independent third-party consultant acting as liquidation analysis agent;

(b) the aggregate principal amount of Non-Scheme Claims held by the Connected Creditors is approximately US$121 million as at the date of this announcement up to the full conversion of the MCB;

(c) MCB1 and MCB2 are issued to creditors equally in the proportion of 75% and 25% (for the avoidance of doubt, including Redirected MCBs to the Controlling Shareholder Nominee), respectively;

(d) the Non-Scheme Creditors will agree to the same allocation as the Scheme Creditors;

(e) the Shares to be issued pursuant to the Onshore Restructuring (which is assumed to be the full amount of the available general mandate of 20% of the issued share capital as of 2026 AGM) have been issued in full;

(f) the Redemption Shares to be issued to redeem the Perpetual Securities have been issued in full at HK$7.0 per Share;

(g) the Shares issuable under the Management Incentive Plan have been fully issued; and

(h) there is no other change in the issued share capital of the Company from the date of this announcement up to the full conversion of the MCBs.

To the extent any Scheme Creditors (including any Scheme Creditor who had not submitted its claim) or Non-Scheme Creditors fails to make any election in respect of any portion of its Distribution Entitlement Amount by the election deadline as specified in the Restructuring Documents, such Non-Elected Distribution Entitlement Amount shall be allocated to the Default Option. Further, for any portion of Distribution Entitlement Amount that remains unsubmitted on the Restructuring Effective Date, any MCBs that may be allocated to such creditor under the allocated results of the Default Option and its corresponding portion of MCBs that may be redirected to the Controlling Shareholder Nominee under the Shareholding Structure Stability Arrangement, will be held in the securities account designated by the Holding Period Trustee in accordance with the terms of the Holding Period Trust Deed. If any creditor fails to establish its entitlement to the

trust assets before the expiry date of the Holding Period, such creditors' and Controlling Shareholder Nominee's rights will be extinguished, and the number of Shares issuable upon conversion of the MCBs will be reduced accordingly.

Low-end Probable Case

The Low-end Probable Case in the table below illustrates the theoretical scenario where minimum number of MCBs are issued as Restructuring Consideration after the selection and the reallocation mechanism. The Low-end Probable Case is based on the specific assumptions that (1) Option 1, Option 2A, Option 2B and Option 2C are fully selected (as indicated based on the creditor's feedback and response as of the date of this announcement, and assuming that the Non-Elected Distribution Entitlement Amount will be allocated to Option 2B and 2C as Default Option), such that the amount of debt to be discharged in respect of the issuance of the MCBs is US$6,161,661,000, and (2) the Connected Creditors were not allocated to the option with MCBs. Pursuant to the Low-end Probable Case, a total number of 12,777,159,300 Shares would be issued.

	As at the date of this announcement		**Immediately upon the full conversion of the MCBs by Scheme and Non-Scheme Creditors**		**Immediately upon (i) the full conversion of the MCBs by Scheme and Non-Scheme Creditors; (ii) the issuance of Redemption Shares to Perpetual Securities Holders; (iii) the issuance of Shares under the Management Incentive Plan; and (iv) the issuance of Shares under Onshore Restructuring**		**Immediately upon (i) the full conversion of the MCBs by Scheme and Non-Scheme Creditors; (ii) the issuance of Redemption Shares to Perpetual Securities Holders; (iii) the issuance of Shares under the Management Incentive Plan; (iv) the issuance of Shares under Onshore Restructuring; and (v) the issuance of Redirected MCBs under the Shareholding Structure Stability Arrangement**	
	No. of Shares	*%*	*No. of Shares*	*%*	*No. of Shares*	*%*	*No. of Shares*	*%*
Shareholder Parties	4,261,081,250	74.9	4,261,081,250	31.1%	4,261,081,250	25.5%	4,261,081,250	19.8%
	—	—	—	—	—	—	4,767,000,000	22.2%[1]
Other existing Shareholders	1,424,326,200	25.1	1,424,326,200	10.4%	1,424,326,200	8.5%	1,424,326,200	6.6%
MCBs issued to Scheme and Non-Scheme Creditors	—	—	8,010,159,300	58.5%	8,010,159,300	47.9%	8,010,159,300	37.3%
Redemption Shares issued to the holders of the Perpetual Securities	—	—	—	—	390,000,000	2.3%	390,000,000	1.8%
Shares issued under the Management Incentive Plan[2]	—	—	—	—	1,504,597,179	9.0%	1,504,597,179	7.0%
Shares issued to creditors pursuant to the Onshore Restructuring[3]	—	—	—	—	1,137,081,490	6.8%	1,137,081,490	5.3%
Total	5,685,407,450	100.0%	13,695,566,750	100.0%	16,727,245,419	100.0%	21,494,245,419	100.0%

Notes:

(1) Shares issued upon full conversion of the Redirected MCBs will be redirected to the Shareholder Parties pursuant to the Shareholding Structure Stability Arrangement. Following full conversion of the Redirected MCBs, the Shareholder Parties would hold a total of 9,028,081,250 Shares (including 4,767,000,000 Shares converted from Redirected MCBs), which represents 42.0% of the entire issued Shares.

(2) The proposed issue of Shares under the Management Incentive Plan does not form part of the matters to be approved by the Shareholders at the EGM. As further set out in the section headed "G. ADOPTION OF THE MANAGEMENT INCENTIVE PLAN", the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting, subsequent to the Restructuring Effective Date and after the specific details of the Management Incentive Plan have been finalized.

(3) The Onshore Restructuring does not form part of the Restructuring and is not subject to Shareholders' approval at the EGM.

High-end Probable Case

The High-end Probable Case illustrates the theoretical scenario the maximum number of MCBs are issued as Restructuring Consideration after the selection and the reallocation mechanism. The High-end Probable Case is based on the specific assumptions that (1) Option 1 and Option 2A are fully selected, with residual Distribution Entitlement Amounts and Non-Elected Distribution Entitlement Amount allocated to more than 50% of the size of Option 2B, and Option 2C is not selected (as indicated based on the creditor's feedback and response as of the date of this announcement), such that the amount of the debt to be discharged in respect of the Shares to be issued pursuant to the Restructuring is US$7,103,971,000 and (2) the Connected Creditors were not allocated to the option with MCBs. Pursuant to the High-end Probable Case, a total number of 15,013,568,536 Shares would be issued in respect of the issue of MCBs:

	As at the date of this announcement		**Immediately upon the full conversion of the MCBs by Scheme and Non-Scheme Creditors**		**Immediately upon (i) the full conversion of the MCBs by Scheme and Non-Scheme Creditors; (ii) the issuance of Redemption Shares to Perpetual Securities Holders; (iii) the issuance of Shares under the Management Incentive Plan; and (iv) the issuance of Shares under Onshore Restructuring**		**Immediately upon (i) the full conversion of the MCBs by Scheme and Non-Scheme Creditors; (ii) the issuance of Redemption Shares to Perpetual Securities Holders; (iii) the issuance of Shares under the Management Incentive Plan; (iv) the issuance of Shares under Onshore Restructuring; and (v) the issuance of Redirected MCBs under the Shareholding Structure Stability Arrangement**	
	No. of Shares	*%*	*No. of Shares*	*%*	*No. of Shares*	*%*	*No. of Shares*	*%*
Shareholder Parties	4,261,081,250	74.9	4,261,081,250	28.6	4,261,081,250	23.5	4,261,081,250	17.8
	—	—	—	—	—	—	5,778,406,236	24.2[1]
Other existing Shareholders	1,424,326,200	25.1	1,424,326,200	9.5	1,424,326,200	7.9	1,424,326,200	6.0
MCBs issued to Scheme and Non-Scheme Creditors	—	—	9,235,162,300	61.9	9,235,162,300	51.0	9,235,162,300	38.6
Redemption Shares issued to the holders of the Perpetual Securities	—	—	—	—	390,000,000	2.2	390,000,000	1.6
Shares issued under the Management Incentive Plan[2]	—	—	—	—	1,672,929,057	9.2	1,672,929,057	7.0
Shares issued to creditors pursuant to the Onshore Restructuring[3]	—	—	—	—	1,137,081,490	6.3	1,137,081,490	4.8
Total	5,685,407,450	100.0	14,920,569,750	100.0	18,120,580,297	100.0	23,898,986,533	100.0

Note:

(1) Shares issued upon full conversion of the Redirected MCBs will be redirected to the Shareholder Parties pursuant to the Shareholding Structure Stability Arrangement. Following full conversion of the Redirected MCBs, the Shareholder Parties would hold a total of 10,039,487,486 Shares (including 5,778,406,236 Shares Converted from Redirected MCBs), which represents 42.0% of the entire issued Shares.

(2) The proposed issue of Shares under the Management Incentive Plan does not form part of the matters to be approved by the Shareholders at the EGM. As further set out in the section headed "G. ADOPTION OF THE MANAGEMENT INCENTIVE PLAN", the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting, subsequent to the Restructuring Effective Date and after the specific details of the Management Incentive Plan have been finalized.

(3) The Onshore Restructuring does not form part of the Restructuring and is not subject to Shareholders' approval at the EGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, based on the disclosure of interests filings on the Company that were publicly available on the Disclosure of Interests Online (DION) System, save for the Connected Creditors, neither Scheme Creditors nor Non-Scheme Creditors had reported any notifiable interest in 5% or more of the Shares of the Company under Part XV of the SFO.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, and based on currently available information provided by the creditors, following completion of the Restructuring (on a fully diluted basis and as-converted basis), no single creditor or group of creditors acting in concert will become a substantial shareholder of the Company.

Based on the selection and reallocation mechanism, it is expected that the public float of the Company upon full conversion of the MCB will be not less than 51.0% (in each of the Low-end Probable Case and in the High-end Probable Case) of the issued share capital of the Company (assuming that the full amount of Shares issued under the Management Incentive Plan will not be included in the public float). As such, the Company is of the view that the conversion of the MCB will not give rise to any public float compliance issue for the Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, it is not expected that any of the Scheme Creditors or Non-Scheme Creditors will trigger the applicable mandatory general offer thresholds under the Takeovers Code upon the conversion of the MCB in the manner set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 2. Further terms of the MCBs — Conversion Events/Period" above. Creditors should be mindful that if any person, together with parties acting in concert (within the meaning of the Takeovers Code) with him, would acquire 30% or more of the voting rights of the Company following the

conversion of the MCB, he may incur an obligation to make a general offer for all the issued Shares and other securities of the Company not already owned or agreed to be acquired by him and parties acting in concert with him under the Takeovers Code. If there is any doubt, creditors should consult their own professional advisers on their obligations (if any) under the Takeovers Code.

E. MAJOR TRANSACTION: POSSIBLE TRANSFER OF THE ALC ASSETS FOR THE PURPOSE OF THE RESTRUCTURING

Background

As disclosed in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS" above, Option 2A involves an option to elect the ALC Asset Trust Instruments with a principal amount equal to 29.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option and an amount of cash (in US$) equal to 0.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to this Option. Further, the Relevant ALC Assets Transfer will take place pursuant to which the Company's equity interests in the ALC Project Company together with its interests in the shareholder's loans to the ALC Project Company will be transferred to the ALC Creditor SPV (the issuer of the ALC Asset Trust Instruments) within five business days after the satisfaction of the asset transfer conditions.

The possible transfer of the ALC Assets is subject to the satisfaction of the conditions precedent as set out in the sub-section headed "Conditions Precedent" below, and there is no assurance that such conditions will be satisfied by the Restructuring Effective Date.

ALC Creditor SPV

A special purpose vehicle (being the ALC Creditor SPV) will be established as an orphan trust special purpose vehicle incorporated in an offshore jurisdiction as designated by the Company. The ALC Creditor SPV will be managed by GLAS to issue the ALC Asset Trust Instruments.

The ALC Creditor SPV is entitled to receive the net proceeds received or recovered from the ALC Project Company. In accordance with the ALC Deed of Undertaking, the ALC Creditor SPV is principally obliged to distribute such net funds to the holders of the ALC Asset Trust Instruments, and shall comply with such other terms and obligations as set out in the Restructuring Documents.

ALC Asset Trust Instruments

The principal amount of the ALC Asset Trust Instruments is US$301,000,005, which corresponds to the Distribution Entitlement Amount exchanged which is capped at US$1,020,339,000 for this Option.

Any ALC Asset Trust Instruments that are not subscribed by any Scheme Creditor or Non-Scheme Creditor shall be held by the Company.

Assets to be transferred

Pursuant to the ALC Deed of Undertaking to be entered into between the ALC Creditor SPV and the Company, and subject to the fulfilment of the ALC Assets Transfer Conditions, the Relevant ALC Assets Transfer will involve the transfer to the ALC Creditor SPV of:

(i) 50% of the shares in the ALC Project Company currently held by the Company; and

(ii) all rights, benefits, and proceeds from shareholder loans made by the Company to the ALC Project Company that are then outstanding.

Conditions Precedent

The Relevant ALC Assets Transfer is conditional upon the satisfaction of certain conditions before Restructuring Effective Date, including:

Within a reasonable period of time from the Restructuring Effective Date, *provided that* the interest of the ALC Creditor SPV and the ALC Project will not be prejudiced, the Company shall use reasonable endeavours to:

(a) procure the shareholders of the ALC Project Company to reach an agreement in respect of the transfer of the relevant assets into a trust (including the ALC Creditor SPV) at the completion of each shareholder's restructuring for the purpose of each such restructurings;

(b) procure the other shareholder of the ALC Project Company consents to the Relevant ALC Assets Transfer; and

(c) obtain all approvals or consents from the creditors of the ALC Senior Facility.

To the extent any relevant regulatory, judicial, governmental approvals or consents are required, the Company and the ALC Asset Trustee shall cooperate in good faith to resolve any such issues.

The occurrence of the Relevant ALC Assets Transfer is subject to the satisfaction of the conditions, which is outside of the control of the Company and the holders of the ALC Asset Trust Instruments, and there is no assurance that such conditions will be completed by the Restructuring Effective Date:

(a) if the asset transfer conditions are not met, the ALC Creditor SPV will instead hold interim rights and benefits (see below). These include rights to proceeds from shareholder loans and dividends, subject to a bare trust arrangement.

(b) if the asset transfer conditions are met, the ALC Creditor SPV will hold: (i) 50% of the shares in the ALC Project Company currently held by the Company; and (ii) all rights, benefits, and proceeds from shareholder loans made by the Company to the ALC Project Company that are then outstanding.

As at the date of this announcement, none of the above conditions has been fulfilled.

Interim Measures

In the event that the transfer of the relevant assets into the ALC Asset Trust is not completed by the Restructuring Effective Date, as a result of any of the conditions as set out in the sub-section headed "Conditions Precedent" above not being satisfied, the Company will implement certain interim measures in favour of the ALC Asset Trustee, including:

1. Turnover Trust over Relevant Proceeds

The Company will declare a bare trust in favour of the ALC Asset Trustee over:

(a) Proceeds received from cash dividends distributed by the ALC Project Company to the Company; and

(b) Proceeds received from repayment of shareholder loans made by the Company to the ALC Project Company or its subsidiaries (together with (a), the "**Relevant Proceeds**").

The Relevant Proceeds will be deposited into a designated account for onward distribution.

2. Reasonable Efforts Undertaking

The Company will use reasonable endeavours, within a reasonable period after the Restructuring Effective Date and provided that the interests of the ALC Asset Trust and the ALC Project are not prejudiced, to procure and obtain the agreement and consent of the shareholders of the ALC Project Company and/or procure and obtain requisite consents of creditors of the ALC Senior Facility (as the case may be) to enable the Relevant ALC Assets Transfer to occur.

The Company considers that, the economic benefits expected to be derived from the interim measures are consistent with that derived from the transfer of the ALC Assets. Specifically, irrespective of whether the relevant ALC Assets have been transferred into the ALC Asset Trust, the economic benefit of the ALC Asset Trust is in each case derived from the pooling of net funds from the ALC Project after deduction of all amounts payable. From the perspective of the source of that economic benefit, the two scenarios are therefore consistent. The interim measures are also a transitional arrangement agreed between the Company and the creditors.

Operation of the ALC Asset Trust

Following the transfer of the ALC Assets, the principal operation mechanism of the ALC Asset Trust are as follows:

a. The Company (or a subsidiary of the Company) would be appointed to manage and operate the ALC Project on behalf of the ALC Creditor SPV, in accordance with the management service agreement to be entered into between the ALC Creditor SPV and the Company on or after the Restructuring Effective Date.

b. After deducting any operating expenditure of the underlying project, and subject to the ALC Senior Facility having been repaid in full and to compliance with the applicable law, the Free Cash attributable to the ALC Project will, after payment of the requisite amounts payable, be pooled into a collection account designated by the ALC Creditor SPV. The ALC Asset Trustee shall distribute the net amount to holders of the ALC Asset Trust Instrument in accordance with the terms of the ALC Deed of Undertaking.

Information of the ALC Asset Trustee

GLAS has been appointed to be the trustee for the ALC Asset Trust Instrument.

On behalf of the holders of the ALC Asset Trust Instruments, the ALC Asset Trustee shall have the right to hold on trust the net proceeds pooled by the ALC Creditor SPV from the ALC Project Company. Its obligations principally include distribution of the net proceeds to holders of the ALC Asset Trust Instrument in accordance with the priority of payments as prescribed under the ALC Deed of Undertaking, and to comply with the terms and obligations as set out in the Restructuring Documents.

The rights and corresponding obligations exercisable by the ALC Asset Trustee, are in each case governed and subject to the corresponding terms of the Restructuring Documents.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the ALC Creditor SPV is an Independent Third Party.

Rights and obligation of the holders to the ALC Asset Trust Instruments

The holders of the ALC Asset Trust Instruments hold the rights to net proceeds from the ALC Project Company and other rights set up in the Restructuring, and shall comply with such other terms and obligations as set out in the Restructuring Documents.

Transferability

The ALC Asset Trust Instruments will be issued in the form of registered certificates by the ALC Creditor SPV as specified in the ALC Asset Trust Instruments Documents, which are expected to be capable of being settled through one or more international clearing systems.

Limited recourse

According to Restructuring Documents, the recourse against the ALC Creditor SPV is limited to the net proceeds from the ALC Project Company, 50% of the shares in the ALC Project Company, and all rights, benefits, and proceeds from shareholder loans made by the Company to the ALC Project Company.

Basis for determination of the consideration transfer of the ALC Asset

The consideration is estimated to be US$301,000,005, which represents the issue amount of the ALC Asset Trust Instruments. Under the Company's Restructuring Proposal, approximately US$714 million of the aggregate Distribution Entitlement Amount would be released, with a remaining balance of US$306 million. Such remaining debt will be satisfied by US$5,101,695 in cash and US$301,000,005 in ALC Asset Trust Instruments. The consideration was determined with reference to the value of the ALC Assets, after first deducting the senior loan and other expenses of the ALC Project, then attribute 50% of the resulting balance to the Company, and then further deducting the amount of the Group's management fee. The consideration was determined after arm's length negotiations between the Company and the creditors as part of the overall settlement terms of the Schemes, and has been approved by the Scheme Creditors in the Scheme Meeting.

Based on the foregoing, the Directors consider that the consideration is fair, reasonable and in the interests of the Company and the Shareholders as a whole.

Financial Effect of the Transfer

(a) Earnings

Subject to further audit procedures to be performed by the Company's auditors, the Group is expected to record a net loss of approximately US$119 million (equivalent to approximately HK$928.2 million) from the transfer, which amount is estimated based on the aggregate amount of debt to be released

pursuant to the transfer (of approximately US$1,020 million) less the Group's aggregate investment in and loans to the Company as at 30 June 2026 (of approximately US$1,134 million) and an amount of cash of approximately US$5,101,695 equal to 0.5% of the Scheme Creditor's or Non-Scheme Creditor's Distribution Entitlement Amount allocated to Option 2A. The actual amount of gain or loss to be recorded by the Group in respect of the transfer is subject to review and final audit by the Company's auditors before it can be confirmed.

(b) Assets and liabilities

Having taken into account the aggregate debt of approximately US$1,020 million to be released and the Group's unaudited aggregate investment in and loans to the Company as at 30 June 2026 of approximately US$1,134 million, it is estimated that the Group's total assets, total liabilities and net assets will decrease by approximately US$1,134 million, US$1,020 million and US$119 million respectively (equivalent to approximately HK$8,845 million, HK$7,956 million and HK$928.2 million, respectively).

Conditional upon the satisfaction of the asset transfer conditions (as set out above), the Company has undertaken to effect the transfer of (a) 50% of the shares in the ALC Project Company currently held by the Company; and (b) the benefits, interests and proceeds deriving from all shareholder loans made by the Company as creditor to the ALC Project Company as debtor then outstanding, to the ALC Creditor SPV.

As a result of the Relevant ALC Assets Transfer, the Company's legal and/or beneficial interests in 50% of the shares in the ALC Project Company together with its rights, interests and proceeds deriving from the underlying shareholder loan will be transferred to an entity independent to the Company, and over which the Company will not retain a controlling economic interest and the ALC Project Company will cease to be a subsidiary of the Company and its financial results will no longer be consolidated into the financial statements of the Group.

The Company is of the opinion that Option 2A forms an important and integral part of the Restructuring, and the successful implementation of the Restructuring will relieve the Company of its debt burden, and hence serve the interests of the Company and the Shareholders as a whole. Accordingly, the Company considers the terms of the ALC Asset Trust to be fair and reasonable based on current market conditions and are on normal commercial terms.

F. PROPOSED ISSUE OF REDEMPTION SHARES IN RESPECT OF THE PERPETUAL SECURITIES

The Company is the issuer of the Perpetual Securities, which is a series of US$350,000,000 perpetual capital securities (ISIN: XS1619838292). As set out in the Company's announcement dated 21 May 2026, the Company has received valid consent and blocking instructions through the clearing systems by or on behalf of Securityholders holding not less than 90% in aggregate principal amount of the Perpetual Securities, to effect the restructuring of the Perpetual Securities by way of equitisation on or after the Restructuring Effective Date. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, all of the holders of the Perpetual Securities are Independent Third Parties and are not connected persons of the Company.

The effect of such an agreement is that the Company has the right to issue Shares for the in-kind redemption of the Perpetual Securities at the share price of the Redemption Shares that is to the lower of: (a) HK$7.00 per Share, or (b) HK$1.00 above the weighted average Effective Conversion Price in respect of the MCBs in the Restructuring, to redeem the outstanding principal amount of the Perpetual Securities. Following the sanction of the Company's Schemes by the Grand Court of the Cayman Islands and the Court of First Instance of the High Court of the Hong Kong Special Administrative Region, the actual weighted average Effective Conversion Price of the MCBs was fixed at HK$6.00 per Share. As such, a total of 390,000,000 Redemption Shares would be issued hereunder. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Redemption Shares.

Based on the share price of the Redemption Shares of HK$7.00 per Share, such price represents:

(i) a premium of approximately 447% over the closing price of HK$1.28 per Share as quoted on the Stock Exchange on 21 May 2026, being the date of the Supplemental Trust Deed;

(ii) a premium of approximately 517% over the closing price of HK$1.135 per Share as quoted on the Stock Exchange on the date of this announcement; and

(iii) a premium of approximately 521% over the closing price of HK$1.127 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately preceding the date of this announcement.

The issue of Redemption Shares in respect of the restructuring of the Perpetual Securities forms an integral part of the overall Restructuring package. The redemption price was determined after arm's length negotiations between the Company and the Securityholders after taking into account, among others, the Share

price performance and assessment of acceptability of the Securityholders towards the terms of the Supplemental Trust Deed, and the overall fairness between the creditors and the Securityholders under the Restructuring.

The Company will seek at the Extraordinary General Meeting a specific mandate from the Shareholders for the allotment and issue of the Redemption Shares. The issue of the Redemption Shares and the transactions contemplated thereunder are subject to the passing of the ordinary resolution approving the specific mandate by the Shareholders at the Extraordinary General Meeting.

Pursuant to the terms as set out in the Supplemental Trust Deed, on or prior to the date falling six months after the Restructuring Effective Date, as determined by the Company in its sole discretion and on the Company giving an irrevocable 40 business days' notice to the Securityholders, Citicorp International Limited (acting as trustee) and the agents, the Company shall have the right to redeem the Perpetual Securities in whole, but not in part, at the price of 100% outstanding principal amount of the Perpetual Securities (which, for the avoidance doubt, shall not include any Distribution, Arrears of Distribution and any Additional Distribution Amount), which shall be paid in the ordinary shares of the Company (the "**Redemption Shares**"); provided that, if the Restructuring Effective Date does not occur on or prior to the later of (a) the CSA Long Stop Date and (b) 30 December 2026, the option to share redemption (i) shall be void and of no effect, and the Company shall no longer be entitled to redeem the Perpetual Securities pursuant to the Supplemental Trust Deed thereafter.

The Company agreed that it shall, promptly after the occurrence of the Restructuring Effective Date and in any event within six months after the occurrence of the Restructuring Effective Date, effect the share redemption.

In view of the above, the Company considers that the terms of the Supplemental Trust Deed, and the transactions contemplated thereunder (including the issue of Redemption Shares and the conversion price) are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

G. ADOPTION OF THE MANAGEMENT INCENTIVE PLAN

As agreed under the Restructuring Documents, the Company intends to adopt a Management Incentive Plan to allot and issue Shares of no more than 7% of the Fully Diluted Total Share Capital. Under the High-end Probable Case, such 7% of the Fully Diluted Total Share Capital amounts to 1,672,929,057 Shares. Subsequent to the Restructuring Effective Date and the specific details of the Management Incentive Plan have been finalized, the Company will make further announcement(s) and to seek the Shareholders' approval at a general meeting.

H. REASONS FOR AND BENEFITS OF THE TRANSACTIONS IN CONNECTION WITH THE RESTRUCTURING AND THE ISSUANCE OF THE REDEMPTION SHARES

The Group, like many companies in the PRC real estate sector, has been severely and negatively affected by the downturn of the PRC real estate market since 2021 in various aspects:

(a) the tightening of financing policies and reduced bank lending for real estate development have resulted in reduced access by PRC property developers to onshore capital;

(b) the continued economic downturn in the PRC, reduced bank lending for mortgage finance for buyers, buyers' concerns about future incomes and property price movements and the ability of property developers to complete projects have resulted in reduced property sales for both the industry and the Group; and

(c) the Group's other businesses have also been similarly adversely affected owing to the overall downturn of the upstream real estate industry. Adverse reaction to these onshore events by offshore capital markets has limited the Group's funding sources to address upcoming maturities on its outstanding indebtedness.

In light of the foregoing, since August 2022, the Company engaged financial and legal advisers to assist it in respect of a potential restructuring of its debts.

Following the Scheme Meeting, the Company has obtained the requisite statutory majority support from the Scheme Creditors to approve the Schemes. The Cayman Scheme was sanctioned by the Grand Court of the Cayman Islands on 4 August 2026. The Hong Kong Scheme was sanctioned by the Court of First Instance of the High Court of the Hong Kong Special Administrative Region on 20 August 2026. The Scheme Effective Date occurred on 21 August 2026.

As at the date of this announcement, the aggregate outstanding principal amount of the debts (excluding accrued interests) to be released pursuant to the Schemes is approximately US$11,700 million.

The Restructuring is intended to (a) deleverage the Company's liabilities, and (b) protect the rights and interests, and maximise the value, for all stakeholders. Specifically, the Restructuring will address the Company's leverage risks and establish a sustainable capital structure, and provide Offshore Creditors with the opportunity to convert their debt into equity, allowing them to benefit from any potential equity upside in the Company. Under the Restructuring, the proposed issue of MCBs will be made at a conversion price which is at a significant premium to the

prevailing share price of the Company. Upon completion of the holistic Restructuring plan, it will comprehensively resolve the Company's debt burden, which in turn protects the interests of the Shareholders as a whole.

The Company considers that it is in the interests of the Company, its Shareholders, Scheme Creditors and Non-Scheme Creditors, for the Restructuring (including the issue of MCBs and the possible transfer of the ALC Assets thereunder) to be implemented, and the Restructuring to become effective as soon as practicable. Earlier implementation and completion of the Restructuring would bring the following benefits to all stakeholders:

(a) the Group will comprehensively resolve its offshore debt upon completion of the Restructuring, thereby eliminating the risks of default and consequent liquidation, which protects the continued and long-term interests of all Shareholders;

(b) allow the Group to realise the deleveraging benefits, alleviate its cash flow pressure. This, in turn, aids the restoration of the Group's long-term sustainable capital structure and ensures resumption of normal business planning and project delivery at the earliest opportunity;

(c) prompt completion would also reinforce and strengthen market confidence in the Group, restore the Group's creditworthiness and reputation, hence providing a stable platform from which the Group can move forward with executing its business plan and recovery strategy; such that, as and when the PRC real estate market stabilises, the Group's operating performance may gradually recover, creating medium to long term value for all Shareholders; and

(d) help stabilise the management and core senior management team of the Group, and facilitate the recruitment and retention of new talent.

The implementation of the Shareholding Structure Stability Arrangement can (i) avoid excessive dilution of the Controlling Shareholder's shareholding that would otherwise affect the stability of the Company's shareholding structure; (ii) maintain a stable shareholding structure and management workforce, which the Company considers to be important in supporting the stability of the value of the Shares, having regard to the crucial role of and contribution made by Mr. Kei in the management of the Group's business and the implementation of the Restructuring; and (iii) a stable shareholding structure also ensure the alignment of interests of the Controlling Shareholder with those of the broader Shareholder base going forward. Attention is also drawn to the Controlling Shareholders' commitments made in connection with the Restructuring, including the lock-up and target price arrangements as described in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue —

Shareholding Structure Stability Arrangement" above, which was made for the benefit of, and taking into consideration of all Shareholders as a whole (including the minority shareholders).

The Company also consider that it is necessary and in the interests of all stakeholders for the Perpetual Securities to be addressed as part of the Restructuring, taking into consideration: (a) principle of fairness of treatment of all creditors as the Company's other senior offshore indebtedness has been addressed as part of the Restructuring; and (b) if the Perpetual Securities were not restructured, the deferred distributions accruing thereon would continue to accumulate and would, over time, exceed the amounts owing in respect of the Company's other indebtedness; furthermore, for so long as such deferred distributions remain unresolved, the Company would not be able to declare dividends to its Shareholders, which would adversely affect the future performance of the Share price.

No net proceeds will be received by the Group from the issue of the instruments under the Restructuring, including the MCBs. The issue of the New Securities will be applied towards the satisfaction of the Restructuring Consideration.

The Directors (including the independent non-executive Directors) consider the terms of the proposed issue of the MCBs (including the Connected MCB Issue and the Redirected MCBs pursuant to the Shareholding Structure Stability Arrangement) and the terms of the possible transfer of the ALC Assets (both pursuant to the Restructuring) and the issue of the Redemption Shares in connection with the Perpetual Securities to be fair and reasonable based on current market conditions and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Mr. Kei is considered to have a material interest in the issue of the MCBs as a result of the Connected MCB Issue and the Shareholding Structure Stability Arrangement. Accordingly, he has abstained from voting on the Board resolutions in respect of the issue of the MCBs. Save as disclosed above, no other Director has a material interest in the matters disclosed in this announcement.

I. EQUITY FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fundraising activities in the past 12 months immediately before the date of this announcement.

J. LISTING RULES IMPLICATIONS

Proposed Restructuring involving MCB issuance

Specific Mandate to issue MCBs

The MCB Conversion Shares will be issued under the Specific Mandate to be sought from the Independent Shareholders at the Extraordinary General Meeting.

As set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue" above, the issue of the MCBs will involve the Connected MCB Issue to the Connected Creditors and the issue of Redirected MCBs pursuant to the Shareholding Structure Stability Arrangement to the Controlling Shareholder Nominee. As each of the Connected Creditors is a connected person of the Company under Chapter 14A of the Listing Rules, the issue of the MCBs is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The proposed issue of the MCBs and the transactions contemplated thereunder (including the Shareholding Structure Stability Arrangement, the issue of the MCBs to the Connected Creditors and the issue of the MCB Conversion Shares pursuant to the terms of the MCB) are subject to the passing of necessary resolution by the Independent Shareholders at the Extraordinary General Meeting. The issue of the MCB Conversion Shares is conditional upon, among others, the Stock Exchange granting the listing of, and the permission to deal in, the MCB Conversion Shares.

Possible Transfer of the ALC Assets

As one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transfer of the ALC Assets is 25% or more but less than 75%, the Relevant ALC Assets Transfer and the constitution of the ALC Asset Trust constitutes major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

K. FORMATION OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on whether Connected MCB Issue and the transactions contemplated thereunder are conducted in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole, and whether the terms of which are on

normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and how to vote on the resolutions at the Extraordinary General Meeting.

Ignite Capital has been appointed by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

L. GENERAL

An EGM will be convened and held for the Shareholders and/or Independent Shareholders to consider and, if thought fit, to approve by way of poll, (a) the proposed implementation of the transactions in connection with the Restructuring, involving amongst others, (i) the proposed issue of the MCB (including the grant of the Specific Mandate for the issue of the MCB Conversion Shares), (ii) the proposed issue of the MCBs (including the issue of the MCB Conversion Shares thereunder) to the Connected Creditors, (b) the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer, and (c) the proposed issue of Redemption Shares in respect of the Perpetual Securities.

The controlling shareholder and his associates, who hold in aggregate approximately 74.95% of the total number of Shares in issue as at the date of this announcement, are interested in the transactions for the implementation of the Restructuring as a result of the Shareholding Structure Stability Arrangement and the Connected MCB Issue, shall abstain from voting on the resolutions to be proposed at the Extraordinary General Meeting to approve the proposed transaction under the Restructuring in relation to the proposed issue of the MCBs pursuant to the Restructuring (including the proposed issue of MCBs to Connected Creditors, the Redirected MCBs in connection with the Shareholding Structure Stability Arrangement and the grant of the Specific Mandate for the issue of MCB Conversion Shares). Save as disclosed above, to the best of the Directors' knowledge, no Shareholder is required to abstain.

A circular containing, among others, (i) further details of the proposed implementation of the transactions in connection with the Restructuring (including the proposed issue of the MCBs, the Shareholding Structure Stability Arrangement and the Connected MCB Issue), (ii) further details of the possible transfer of the ALC Assets in connection with the Relevant ALC Assets Transfer, (iii) further details of the proposed issue of Redemption Shares in respect of the Perpetual Securities, (iv) a letter of recommendations from the Independent Board Committee to the Independent Shareholders on the proposed implementation of the Restructuring and the transactions contemplated thereunder, (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Connected MCB Issue and the transactions contemplated thereunder, (vi) a property valuation report, and (vii) a

notice of the EGM, together with the form of proxy, will be published on the websites of the Stock Exchange and the Company, and will be despatched by the Company to the Shareholders in due course.

BOOK CLOSURE PERIOD FOR THE EGM

The EGM tentatively to be held on Thursday, 19 November 2026 at 3:00 p.m. For the purpose ascertain the shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 16 November 2026 to Thursday, 19 November 2026, both days inclusive, during which period no transfer of Shares will be registered. The record date for determining the eligibility of holders of Shares to attend and vote at the EGM will be Thursday, 19 November 2026. In order to be entitled to attend and vote at the EGM, all transfer documents should be lodged for registration with Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 13 November 2026.

Completion of the transactions set out in this announcement is subject to the fulfilment or waiver of the conditions precedent as set out in this announcement or under the respective definitive transaction documentation and these transactions may or may not become unconditional or be completed. The transactions set out in this announcement may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

M. DEFINITIONS

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

"2026 AGM"	annual general meeting of the Company held on 11 June 2026
"Ad Hoc Group"	means the ad hoc group of holders of the applicable Existing Securities (or the investment managers or investment advisers to such holders), who are the Initial Consenting Creditors (as defined under the Creditor Support Agreement) and who continue to be Consenting Creditors under and pursuant to the terms of the Creditor Support Agreement

"Advisers" means (as applicable):

(a) Alvarez & Marsal Corporate Finance Limited, Haitong International Securities Company Limited and Kroll (HK) Limited and each of their Affiliates, in each case, as financial advisers to the Company;

(b) White & Case LLP, Campbells LLP and each of their Affiliates, as legal advisers to the Company;

(c) PJT Partners, Freshfields and each of their Affiliates, as advisers to the Ad Hoc Group (the "**Ad Hoc Group's Advisers**");

(d) Latham & Watkins LLP, Mourant Ozannes and each of their Affiliates, as legal advisers to certain creditors of the Existing Guaranteed Debts; and

(e) the foregoing's partners, employees and affiliated partnerships and undertakings and the partners and employees of such affiliated partnerships and undertakings and their respective Subsidiaries and holding companies and any local counsel engaged

"Affiliates" means, with respect to any person, any other person:

(a) directly or indirectly controlling, controlled by, or under direct or indirect common control with such person;

(b) a Subsidiary of such person or of any person referred to in paragraph (a) of this definition (together with the persons referred to in paragraph (a) of this definition, the "**Related Entities**"); and

(c) officers, directors, employees, professional advisers, principals, partners, associates, analysts, agents, attorneys, representatives and auditors of the Related Entities, including, with respect to the Consenting Creditors, any of their managers or investment advisers and any entity managed or advised by that manager or investment adviser.

	For the purposes of this definition, "**control**" (including, with correlative meanings, the terms "**controlling**", "**controlled by**" and "**under common control with**"), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities, by contract or otherwise
"ALC Asset Trust"	means the asset trust in respect of the ALC Assets to be constituted under Option 2A
"ALC Asset Trust Instruments"	means the series of instruments to be issued by the ALC Asset Trust Instruments Issuer pursuant to the ALC Asset Trust Instruments Documents
"ALC Asset Trust Instruments Documents"	means: (a) the trust deed constituting passthrough instruments to be entered into by the ALC Creditor SPV and GLAS as the trustee and the security trustee; (b) the deed of undertakings to be entered into between the Company and the ALC Creditor SPV; (c) the security assignment between the ALC Creditor SPV and GLAS as security trustee; (d) the assignment of intercompany loans between the ALC Creditor SPV as assignor and GLAS as security trustee; and (e) the charge over shares to be entered into between the ALC Creditor SPV as charger and GLAS as security trustee, in each case, in substantially the form as set out in Appendix 4B (ALC Asset Trust Instruments Documents) to the Explanatory Statement
"ALC Asset Trustee"	GLAS

"ALC Assets"	means the assets as described in the section headed "E. MAJOR TRANSACTION: POSSIBLE TRANSFER OF THE ALC ASSETS FOR THE PURPOSE OF THE RESTRUCTURING — Assets to be transferred" in this announcement
"ALC Creditor SPV"	means a company to be designated by the Company and GLAS as issuer of the ALC Asset Trust Instruments on or prior to the Scheme Effective Date, as notified to Scheme Creditors via the Transaction Website
"ALC Deed of Undertaking"	a deed of undertaking to be entered into between the Company (as undertaking provider) and the ALC Creditor SPV (as beneficiary)
"ALC HK Company"	Unicorn Bay (Hong Kong) Investments Limited (麒灣(香港)投資有限公司), a company incorporated under the laws of Hong Kong with limited liability, with business registration number 66807858
"ALC Project"	means all that Ap Lei Chau Inland Lot No.136 together with the development erected thereon known as "The Corniche", No.66 Lee Nam Road, Hong Kong which consists of 296 residential units, 311 residential parking spaces, 3 residential motorcycle parking spaces and common spaces and facilities
"ALC Project Company"	means Unicorn Bay Limited (麒灣有限公司), a company incorporated in BVI with limited liability and a joint venture owned as to 50% by the Company
"ALC Senior Facility"	means the term loan facility made available to the ALC HK Company pursuant to the facility agreement dated 10 August 2024 and entered into between, among others, the ALC HK Company as borrower and Madison Pacific Trust Limited as agent and security agent (including any facility made available or indebtedness incurred under any refinancing thereof)
"Announcements"	announcements of the Company dated 6 January 2025, 10 January 2025, 27 January 2025, 12 February 2025, 27 February 2025, 30 June 2025, 10 September 2025, 25 September 2025, 25 November 2025, 4 December 2025, 30 December 2025, 31 March 2026, 7 May 2026, 21 May 2026, 2 July 2026, 24 July 2026 and 21 August 2026

"Arrears of Distribution"	means any distribution deferred pursuant to Condition 4(d) (Distributions — Distribution Deferral) of the Supplemental Trust Deed
"Beishanwan Project"	a project in Beishanwan, Shantou which is currently under development, as described more particularly in paragraph 1.4 of Part 1 (Background to the Schemes and the Restructuring) of the Explanatory Statement
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"Cayman Companies Act"	the Companies Act (2025 Revision) of the Cayman Islands
"Cayman Scheme"	means the scheme of arrangement between the Company and the Scheme Creditors under section 86 of the Cayman Companies Act in its present form or with, or subject to, any modification, addition or condition approved or imposed by the applicable Court or approved in accordance with the terms in the Restructuring Documents
"Company"	Logan Group Company Limited (stock code: 3380), 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
"Connected Creditors"	Junxi Investments and Prance Thrive, each of which is a connected person of the Company under Chapter 14A of the Listing Rules, the details of which are set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue" in this announcement
"Connected MCB Issue"	the proposed issue of MCBs to the Connected Creditors as Non-Scheme Creditors
"Consenting Creditors"	Scheme Creditors and Non-Scheme Creditors who are party to the Creditor Support Agreement as "Consenting Creditors" from time to time and/or who executed and delivered a Creditor Support Letter to the Company
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules

"Controlling Shareholder Lock-Up Letter"	means the lock-up undertaking to be executed by the Controlling Shareholder Nominee, in substantially the form attached at Appendix 4E (Controlling Shareholder Lock-Up Letter) to the Explanatory Statement
"Controlling Shareholder Nominee"	means Junxi Investments
"Creditor Support Agreement"	means the creditor support agreement dated 10 January 2025 entered into by the Company, the Ad Hoc Group and the Information Agent (as amended from time to time, including (without limitation) pursuant to an amendment agreement dated 10 September 2025, 7 May 2026 and 17 July 2026)
"Creditor Support Letter"	means a letter delivered by the Company to certain Scheme Creditors inviting such Scheme Creditors to support the Restructuring
"CSA Long Stop Date"	means 31 March 2027 (extended from the original CSA Long Stop Date of 31 December 2025, as agreed between the Company and the Ad Hoc Group in writing on 31 March 2026) or such later date and time as may be agreed in writing by the Company and, if the Ad Hoc Group holds the Minimum AHG Threshold, the Majority Ad Hoc Group or, if the Ad Hoc Group does not hold the Minimum AHG Threshold, the Majority Consenting Creditors under and in accordance with Clause 14 of the Creditor Support Agreement
"Deeds of Release"	means, collectively: (a) the New York law, English law, British Virgin Islands law, Macanese law, and Hong Kong law deed of release in respect of the Existing Debt Documents in substantially the form attached at Appendix 4G (Deeds of Release) to the Explanatory Statement; and (b) the global deeds of release in respect of the release of certain security interests in connection with the Existing Debt Documents in substantially the form attached at Appendix 4G (Deeds of Release)to the Explanatory Statement

"Default Option"	any Non-Elected Distribution Entitlement Amount shall be allocated to the Default Option. The Default Option will be determined based on the following matrix:

	Any FIE Asset Trust Instruments (Option 2B) Issuance Condition is satisfied	**Neither FIE Asset Trust Instruments (Option 2B) Issuance Condition is satisfied**
Both FIE Asset Trust Instruments (Option 2C) Issuance Conditions are satisfied	Default Option shall be Option 2B, Option 2C and Option 3	Default Option shall be Option 2C and Option 3
Either FIE Asset Trust Instruments (Option 2C) Issuance Condition is not satisfied	Default Option shall be Option 2B and Option 3	Default Option shall be Option 3

"Director(s)"	the director(s) of the Company
"Distribution"	means the right to receive distributions as conferred by the Perpetual Securities from, and including, 31 May 2017 at the applicable distribution rate in accordance with Condition 4 (Distributions) of the Supplemental Trust Deed
"Distribution Entitlement Amounts"	means, for distribution purposes, the amount of Scheme Entitlement that each Scheme Creditor or Non-Scheme Creditor will be entitled to be allocated. In respect of each Scheme Creditor or Non-Scheme Creditor, the higher of (a) US$1,000; and (b) an amount (in US$) as determined by the Scheme Administrator with reference to the Existing Debt Documents

"Existing Debt Documents"	means, collectively, the documents described under the column titled "Existing Debt Documents" in Part 1 (Existing Securities), Part 2 (Existing Loans), Part 3 (Existing Guaranteed Debts) and Part 4 (Existing Miscellaneous Liabilities) of Schedule 2 (Existing Liabilities) of Appendix 4F to the Explanatory Statement
"Existing Guaranteed Debts"	the Company's existing guarantee obligations in respect of nine facilities, with an aggregate outstanding principal amount of US$6,056,569,065 as at the date of this announcement
"Existing Loans"	the Company's existing loans in respect of ten loan facilities, with an aggregate outstanding principal amount of US$2,105,443,648.51 as at the date of this announcement
"Existing Miscellaneous Liabilities"	comprises certain fees owing by the Company to various intermediaries pursuant to various fee letters and/or invoices issued in connection with the original issuance of the Existing Securities, with an aggregate outstanding principal amount of US$5.23 million as at the date of this announcement
"Existing Obligors"	means the persons listed in Schedule 3 (Existing Obligors) of Appendix 4F to the Explanatory Statement
"Existing Securities"	comprises twelve (12) series of US$-denominated senior notes and one (1) series of HK$-denominated cash-settled equity-linked securities, but, in each case, excluding such US$-denominated senior notes and HK$-denominated cash-settled equity-linked securities held by Controlling Shareholders with an aggregate outstanding principal amount of US$3,348,800,000 (inclusive of US$20,000,000 Non-Scheme Debt) and HK$1,950,000,000, respectively, as at the date of this announcement
"Explanatory Statement"	the explanatory statement (dated 2 July 2026) in relation to the Schemes proposed by the Company

"Extraordinary General Meeting" or "EGM"	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and approve (1) the proposed issue of MCBs under specific mandate (including the issue of MCBs to connected creditors, the redirected MCBs pursuant to the shareholding structure stability arrangement and the MCB Conversion Shares); (2) possible transfer of ALC Assets, and (3) issue of Redemption Shares in respect of the redemption of Perpetual Securities
"Fair Market Value"	means, with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Financial Adviser on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, provided that an Independent Financial Adviser will not be required to determine the fair market value where (i) the capital distribution is paid in cash, in which case the fair market value of such cash capital distribution per Share shall be the amount of such cash capital distribution per Share and (ii) any other amounts are paid in cash, in which case the fair market value of such cash amount shall be the amount of cash, and (iii) options, warrants or other rights or securities are or will upon issuance be publicly traded in a market of adequate liquidity (as determined by such Independent Financial Adviser), the fair market value of such options, warrants or other rights or securities shall equal the arithmetic mean of the daily closing price of such options, warrants or other rights or securities during the period of five trading days on the relevant market commencing on the first such trading day such options, warrants or other rights or securities are publicly traded. Such amounts, if expressed in a currency other than Hong Kong dollars shall be translated into Hong Kong dollars at the prevailing rate on such date. In addition, in the case of proviso (i) and (ii) above, the fair market value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax and disregarding any associated tax credit
"FIE Asset Trust (Option 2B)"	means the asset trusts in respect of the FIE Assets to be constituted under Option 2B

"FIE Asset Trust Instruments"	means, collectively, the FIE Asset Trust Instruments (Option 2B) and FIE Asset Trust Instruments (Option 2C)
"FIE Asset Trust Instruments (Option 2B)"	means a series of instruments to be issued by the FIE Creditor SPV (Option 2B) in relation to the FIE Assets (Option 2B)
"FIE Asset Trust Instruments (Option 2B) Issuance Condition"	the issuance conditions of FIE Asset Trust Instruments (Option 2B), being if (x) the aggregate Distribution Entitlement Amount electing into (or deemed to have elected into) such Option (for the avoidance of doubt, including any Non-Elected Distribution Entitlement Amount) is more than the Minimum Allocation Amount in respect of the Option 2B, or (y) the Company determines that the FIE Asset Trust Instruments (Option 2B) shall be issued as Restructuring Consideration
"FIE Assets"	refer to, collectively, the Company's interests in the Beishanwan Project, the Zhong Shan Project and the Zhuhai Projects
"FIE Assets (Option 2B)"	includes the Beishanwan Project and Zhuhai Projects, as described more particularly in paragraph 1.4 of Part 1 (Background to the Schemes and Restructuring) of the Explanatory Statement
"FIE Assets (Option 2C)"	includes the Zhong Shan Project, as described more particularly in paragraph 1.4 of Part 1 (Background to the Schemes and Restructuring) of the Explanatory Statement
"FIE Creditor SPV (Option 2B)"	means a company to be designated by the Company and GLAS as issuer of the FIE Asset Trust Instruments on or prior to the Scheme Effective Date, as notified to Scheme Creditors via the Transaction Website established in such capacity to issue the FIE Asset Trust Instruments (Option 2B)
"FIE Deed of Undertaking"	the deed(s) of undertakings by the Company in favour of the FIE Creditor SPV in relation to the FIE Asset Trust Instruments, in substantially the form as set out in Appendix 4C and 4D to the Explanatory Statement
"FIE Principal (Option 2B)"	means any amounts realised from (x) the FIE Collateral (Option 2B) (following the enforcement), or (y) the FIE Creditor SPV (Option 2B)'s assets

"FIE Project (Option 2B)"	means any of the Beishanwan Project and Zhuhai Projects
"FIE Project (Option 2C)"	means the Zhong Shan Project
"FIE Project Companies (Option 2B)"	means the onshore companies holding (directly or indirectly) each FIE Asset (Option 2B)
"FIE Redemption Date"	no later than 30 days after the receipt of the termination of the FIE Deed of Undertaking in accordance with the terms thereof
"FIE Top HoldCos"	means, collectively: (a) Jolly Gain Investments Limited, a BVI business company with registered number 1635576; and (b) Sino Triumph Global Limited, a BVI business company with registered number 1926662, and "**FIE Top HoldCo**" means any of them, as the context may require
"Final Redemption Amount"	an amount equal to US$1.00 for the entire outstanding principal amount
"Free Cash"	means, in respect of any transfer of a property unit (including any block sale) in the ordinary course of business in respect of the ALC Project, the cash generated from such transfer after deducting (a) the amount of relevant debt and other obligations and liabilities (including any Project Sales and Management Fees and Project Sales and Management Costs) then due (including overdue), and (b) the amount of capital expenditures, working capital and litigation contingencies required for the subsequent two calendar months by reference to the ALC Project Company's applicable budgets. For the avoidance of doubt, if the amount of "Free Cash" is less than zero, such amount shall be deemed to be zero

"Fully Diluted Total Share Capital"	means the total number of Shares in issue (assuming there is no other change in the issued share capital of the Company from the date of this announcement) upon, and assuming the occurrence of each of the following: (a) the full conversion of the MCBs into MCB Conversion Shares, (b) the issuance of the Redemption Shares in full to holders of the Perpetual Securities, (c) the issuance of the Shares in full pursuant to the Onshore Restructuring, and (d) the issuance of the Shares in full to such grantees under the Management Incentive Plan
"GLAS"	GLAS Agency (Hong Kong) Limited
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Holding Period Trust Deed"	means the trust deed to be entered into by, among others, the Holding Period Trustee, for the purpose of creating the trust in accordance with Clause 6 (Distribution to the Holding Period Trustee) and is in substantially the form set out at Appendix 4I (Form of Holding Period Trust Deed) to the Explanatory Statement
"Holding Period Trustee"	means Kroll Issuer Services Limited, or any additional or replacement trustee at any time that is appointed in accordance with the terms of the Holding Period Trust Deed, in its capacity as bare trustee of the trust assets under the Holding Period Trust Deed
"Hong Kong"	The Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Companies Ordinance"	the Companies Ordinance (Cap 622 of the Laws of Hong Kong) as amended from time to time
"Hong Kong Scheme"	means the scheme of arrangement between the Company and the Scheme Creditors under sections 670, 673 and 674 of the Hong Kong Companies Ordinance in its present form or with, or subject to, any modification, addition or condition approved or imposed by the applicable Court or approved in accordance with the terms in the Restructuring Documents

"Independent Board Committee"	an independent board committee comprising all the independent non-executive Directors to advise the Independent Shareholders in respect of the proposed issue of the MCBs
"Independent Financial Adviser" or "Ignite Capital"	Ignite Capital (Asia Pacific) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed issue of the MCBs to the Connected Creditors
"Independent Shareholders"	Shareholders not required under the Listing Rules to abstain from voting on the resolutions to be proposed at the Extraordinary General Meeting to approve the proposed issue of the MCBs to the Connected Creditors and the grant of the Specific Mandate
"Independent Third Party(ies)"	third party(ies) independent of, and not connected with, the Company and its connected persons (as defined in the Listing Rules)
"Information Agent"	means Kroll Issuer Services Limited, or any other person appointed by the Company to act as information agent in connection with the Scheme(s)
"Junxi Investments"	Junxi Investments Limited (駿禧投資有限公司), a company incorporated in BVI with limited liability
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Longstop Date"	means the latest of the following dates: (i) 31 March 2027, and (ii) such later date as may be extended pursuant to clause 11.4 (Termination of the Scheme) of the Schemes with the approval of the Majority Scheme Creditors or the Courts

"Majority Scheme Creditors"	means Scheme Creditors holding in aggregate more than 75% in value of the aggregate principal amount of the Scheme Claims (as at the Record Time) held by all Scheme Creditors, **provided that**, if any Scheme Creditor fails to respond to the Company's request for an amendment, consent or waiver of any matter under Clause 11.4 or Clause 12.2 of the Scheme of Arrangement within twenty-one (21) calendar days of such request being made, the Scheme Claims held by any Scheme Creditor who fails to respond shall not be included for the purposes of calculating the aggregate principal amount of the Scheme Claims held by the Scheme Creditors when ascertaining whether the consent of any relevant percentage of the Scheme Creditors has been obtained to approve that request
"Management Incentive Plan"	a share scheme proposed to be adopted by the Company to allot and issue Shares of no more than 7% of the Fully Diluted Total Share Capital, subsequent to the Restructuring Effective Date and subject to shareholders' approval at general meeting
"Mandatory Conversion Date"	means (a) in respect of MCB1, (i) the date falling within 27 business days after the Original Issue Date, to convert not less than 44.0% of the MCB1 Issue Amount and (ii) the MCB Maturity Date (i.e. 363 days from the Restructuring Effective Date), to convert all the outstanding MCB1 Issue Amount; and (b) in respect of MCB2, the MCB Maturity Date (i.e. 363 days from the Restructuring Effective Date), to convert all outstanding MCB2
"MCB"	means collectively, MCB1 and MCB2
"MCB Allocation Mechanism"	the allocation mechanism of MCB1 and MCB2, determined in accordance with the following mechanism:

(a) Phase 1: each Scheme Creditor, Non-Scheme Creditor and the Controlling Shareholder Nominee shall first voluntarily elect to allocate its MCB entitlement amount to subscribe for MCB1. If the aggregate MCB entitlement amount subscribed to MCB1 exceeds the MCB1 Issue Amount, MCB1 shall be allocated to each party on a pro rata basis by reference to that party's MCB1 subscription amount relative to the aggregate MCB1 subscriptions of all parties (including, for the avoidance of doubt, any deemed MCB1 subscription amounts). Any portion of a party's MCB1 subscription amount in excess of its pro rata allocation to MCB1 shall be reallocated to MCB2 until MCB2 is fully subscribed.

(b) Phase 2: each Scheme Creditor, Non-Scheme Creditor and the Controlling Shareholder Nominee shall voluntarily allocate its MCB entitlement amount to subscribe for MCB2. If the aggregate MCB entitlement amount subscribed to MCB2 exceeds the MCB2 Issue Amount, MCB2 shall be allocated to each party on a pro rata basis by reference to that party's MCB2 subscription amount relative to the aggregate MCB2 subscriptions of all parties. Any portion of a party's MCB2 subscription amount in excess of its pro rata allocation to MCB2 shall instead be allocated to that party as MCB1, until MCB1 is fully subscribed.

"MCB Conversion Shares"	Shares to be issued by the Company upon conversion of the MCBs
"MCB Maturity Date"	a date that is no later than 363 days from the Original Issue Date (provided that if such date is not a business day, then the MCB Maturity Date shall be adjusted to the immediately preceding business day), on which date all outstanding MCBs shall be mandatorily converted into Shares
"MCB1"	means the 363-day mandatory convertible bonds to be issued by the Company pursuant to the MCB1 Trust Deed
"MCB1 Issue Amount"	the amount representing 75% of the aggregate issue amount of the MCBs

"MCB1 Trust Deed"	means the trust deed to be entered into between, among others, the Company and GLAS as trustee pursuant to which the MCB1 is to be issued, in substantially the form attached at Appendix 4A(i) (MCB1 Trust Deed) to the Explanatory Statement
"MCB2"	means the 363-day mandatory convertible bonds to be issued by the Company pursuant to the MCB2 Trust Deed
"MCB2 Issue Amount"	the amount representing 25% of the aggregate issue amount of the MCBs
"MCB2 Trust Deed"	means the trust deed to be entered into between, among others, the Company and GLAS as trustee pursuant to which MCB2 is to be issued, in substantially the form attached at Appendix 4A(ii) (MCB2 Trust Deed) to the Explanatory Statement
"Minimum AHG Threshold"	means an aggregate outstanding principal amount of the Company's existing senior notes in respect of twelve (12) series of US$-denominated senior notes that are Restricted Debt constituting at least 15% of the outstanding principal amount of such existing senior notes
"Minimum Allocation Amount"	means, in respect of Option 2B or Option 2C, the Distribution Entitlement Amount elected or otherwise allocated to such Option, set forth as below:

Option	**Asset Trust Instruments**	**Minimum Allocation Amount (US$)**
Option 2B	FIE Asset Trust Instruments (Option 2B)	296,500,000
Option 2C	FIE Asset Trust Instruments (Option 2C)	348,500,000

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"New Securities"	means, collectively, the ALC Asset Trust Instruments, the FIE Asset Trust Instruments, and the MCBs

"New Securities Documents"	means: (a) the ALC Asset Trust Instruments Documents; (b) the FIE Asset Trust Instruments Documents; (c) the MCB Trust Deeds; and (d) any notices, acknowledgements and other deliverables that are required by the terms of the aforesaid documents to be delivered on or prior to the Restructuring Effective Date
"Non-Elected Distribution Entitlement Amount"	means the amount of Distribution Entitlement Amount, or any portion thereof, which a Scheme Creditor or Non-Scheme Creditor did not make an election by the election deadline as specified in the Restructuring Documents
"Non-Scheme Claims"	consists of: (i) the obligations of the Company under the deed of guarantee dated 23 June 2023 between the Company as guarantor and GBA L2 (BVI) Limited as subscriber, guaranteeing, among other things, the performance of Hope High Ventures Limited's obligations under a deed of share undertaking dated 20 June 2023 between Hope High Ventures Limited, GBA L2 (BVI) Limited and GTJA GBA L2 Fund SP (acting via Four Points Investment SPC) in connection with a facility agreement dated 22 June 2020 between GBA L2 (BVI) Limited and GTJA GBA L2 Fund SP (acting via Four Points Investment SPC); (ii) a portion of the 5.25% senior notes due 23 February 2023 (ISIN: XS1618597535) issued by the Company with an outstanding principal amount of US$20,000,000, which is indirectly held by a Shareholder Party; and (iii) a loan owing by the Company as borrower to a Shareholder Party
"Non-Scheme Creditor(s)"	means: (a) GBA L2 (BVI) Limited; and

	(b) any Shareholder Parties who hold any interests in any Non-Scheme Claims
"Onshore Creditors"	the holders of the Onshore Public Bonds issued by Shenzhen Logan which are subject of the Onshore Restructuring, and "**Onshore Creditor**" means any one of them
"Onshore Public Bonds"	21 series of onshore corporate bonds and asset-backed securities with an aggregate outstanding bond nominal value of approximately RMB21.96 billion as of 10 July 2025
"Onshore Restructuring"	the restructuring proposal announced on 20 June 2025 by Shenzhen Logan in respect of the Onshore Public Bonds, offering holders options including full-conversion into designated assets, asset-for-debt swap, trust-for-debt swap, cash repurchase and equity economic rights in exchange for the cancellation and release of the aforementioned bonds and securities, which was approved by the requisite majority at the relevant bondholder meetings held between 26 June 2025 and 8 July 2025
"Option"	means an indication of preference of the allocation of Scheme Entitlement which may be elected by each Scheme Creditor in respect of any portion of its Scheme Claim in its validly completed Election Form
"Option 1"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement
"Option 2"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement
"Option 2A"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement
"Option 2B"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement
"Option 2C"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement
"Option 3"	has the meaning given to it under the section headed "1. Key Features of the Restructuring" in this announcement

"Option Cap(s)"	has the meaning given to it under the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 1. Key Features of the Restructuring — Reallocation and Option Caps" in this announcement
"Original Issue Date"	the original issue date of the MCBs, which would fall on the Restructuring Effective Date
"Perpetual Securities"	the US$350,000,000 perpetual capital securities issued by the Company (ISIN: XS1619838292), which are liabilities of the Company not subject of the Restructuring, and are to be restructured by way of equitisation after the Restructuring Effective Date on the terms as set out in the section headed "F. PROPOSED ISSUE OF REDEMPTION SHARES IN RESPECT OF THE PERPETUAL SECURITIES" in this announcement
"Prance Thrive"	Prance Thrive Limited (躍盛有限公司), a company incorporated in BVI with limited liability, a Connected Creditor the details of which are set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue" in this announcement
"PRC"	the People's Republic of China (for the sole purpose of construing this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
"Project Sales and Management Costs"	means the costs and expenses (other than the Project Sales and Management Fees) actually incurred by the ALC Project Company in connection with the sales, marketing and management of the ALC Project which shall, in aggregate, be no more than 5.7% of the cash generated from any disposal of any residential unit, a residential parking space or a residential motorcycle parking space in the ALC Project (including any block sale) in the ordinary course of business in respect of the ALC Project

"Project Sales and Management Fees"	means commission payable by the ALC HK Company pursuant to the Project Management Agreement, provided that the aggregate amount of such commission does not exceed 2% of the cash generated from disposal of any residential unit, a residential parking space or a residential motorcycle parking space in the ALC Project (including any block sale) in the ordinary course of business in respect of the ALC Project
"Record Time"	the time designated by the Company for the determination of the Consenting Creditor's claims for the purposes of voting at the Scheme Meeting and/or any similar creditors' meeting applicable to it that is held in respect of any other restructuring process
"Redirected MCBs"	means, in respect of each Scheme Creditor and Non-Scheme Creditor, the MCB entitlement amount to be redirected by the Scheme Creditors and Non-Scheme Creditors to be allocated and issued to the Controlling Shareholder Nominee to implement the Shareholding Structure Stability Arrangement
"Relevant ALC Assets Transfer"	means the transfer of (a) 50% of the shares in ALC Project Company held by the Company; and (b) the benefits, interests and proceeds deriving from all shareholder loans made by the Company as creditor to the ALC Project Company as debtor then outstanding, in each case, on the terms as set out in the Restructuring Documents
"Relevant Cash Dividend"	any cash dividend specifically declared by the Company
"Restricted Debt"	means, with respect to a Consenting Creditor at any time, the aggregate outstanding principal amount of debt set out in the most recent Restricted Debt Notice delivered by that Consenting Creditor
"Restricted Debt Notice"	means a notice substantially in the form set out in Schedule 4 (Form of Restricted Debt Notice) of the Creditor Support Agreement
"Restructuring"	means the debt restructuring as contemplated by the Schemes, the Explanatory Statement and the Restructuring Documents

"Restructuring Consideration"	the restructuring consideration to be distributed to the Scheme Creditors and Non-Scheme Creditors on the Restructuring Effective Date in exchange for the release and discharge of the relevant claims of the Scheme Creditors and Non-Scheme Creditors against the Company, the details of which are set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 1. Key Features of the Restructuring — Restructuring Consideration" in this announcement
"Restructuring Documents"	means: (a) the New Securities Documents; (b) the Deeds of Release; (c) the Holding Period Trust Deed; (d) the Controlling Shareholder Lock-Up Letter; and (e) any other documents that the Company reasonably considers to be reasonably necessary to give effect to the Restructuring.
"Restructuring Effective Date"	the date and time at which: (1) the Restructuring Documents become unconditionally and fully effective in accordance with their respective terms; (2) all other conditions precedent to Restructuring Effective Date have been satisfied or waived in accordance with their terms; and (3) the Restructuring has been implemented in full.
"Scheme Administrator"	means any individual who is appointed scheme administrator under paragraphs 4.1 and 4.3 of Schedule 5 (Scheme Entitlement Allocation Methodology) of Appendix 4F to the Explanatory Statement

"Scheme Claims" means any claim or claims in respect of any Liability of the Company to a Scheme Creditor arising, directly or indirectly, in relation to, or arising out of or in connection with, any of the Existing Debt Documents or any judgment, awards, orders and/or cost orders related thereto whether before, at or after the Record Time, including, for the avoidance of doubt, any interest or default interest or judgment interest accruing on, or accretions arising in respect of, such claims and/or any cost orders or cost awards in respect of such claims

"Scheme Creditors" means, collectively, those persons who were as at the Record Time, and without double counting:

(a) in respect of the Existing Loans:

(i) any person who is a lender of record under any of the Existing Loans or any person who has a beneficial interest as principal under any of the Existing Debt Documents relating to the Existing Loans; and

(ii) the Existing Debt Administrative Parties in respect of the Existing Debt Documents;

(b) in respect of the Existing Guaranteed Debts:

(i) any person who is a lender of record under any Existing Guaranteed Debts or any person who has a beneficial interest as principal under any of the Existing Debt Documents relating to the Existing Guaranteed Debts;

(ii) the Existing Debt Administrative Parties in respect of the Existing Guaranteed Debts; and

(iii) any person who has a contingent interest in the Existing Guaranteed Debts (including by way of any rights to compel the persons described in paragraphs (i) and (ii) above to effect any legal or equitable assignment (whether by way of security or otherwise) of the legal and/or beneficial interests of the Existing Guaranteed Debts), including, for the avoidance of doubt and without limitation, the beneficial holders of any Private Participation Notes;

(c) in respect of the Existing Securities:

(i) any person who has a legal interest as principal in the Existing Securities (including the relevant Existing Debt Administrative Parties in respect of the Existing Securities); and

(ii) any person who has an interest in the Existing Securities held in global form through the Clearing Systems (including, for the avoidance of doubt, the account holders and the owners of the ultimate economic interest in the Existing Securities); and

(d) in respect of the Existing Miscellaneous Liabilities, any person who is a creditor under any Existing Miscellaneous Liabilities or any person who has a beneficial interest as principal under any of the Existing Debt Documents relating to the Existing Miscellaneous Liabilities,

and "**Scheme Creditor**" means any of them as the context requires

"Scheme Effective Date"	21 August 2026
"Scheme Entitlement"	refers to the Scheme Creditor's entitlement to receive the consideration under the Scheme under one of, or a combination, of the Options
"Scheme Meeting"	the meeting(s) of the Scheme Creditors held on 24 July 2026
"Schemes"	means, collectively, the Cayman Scheme and the Hong Kong Scheme
"Security Trigger Event"	means the date on which the Company obtains legal and beneficial ownership of all of the equity interests in Sino Triumph Global Limited
"Securityholders"	holders of the Perpetual Securities

"Selection Mechanism"	the mechanism for the allocation of Restructuring Consideration to each Scheme Creditor and Non-Scheme Creditor as described in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 1. Key Features of the Restructuring — Reallocation and Option Caps" in this announcement
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
"SGX"	the Singapore Exchange Securities Trading Limited
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder Parties"	means each of the following parties: (a) Mr. Kei Hoi Pang; (b) Ms. Kei Perenna Hoi Ting; (c) Any entity that is owned and/or controlled by Mr. Kei Hoi Pang and/or Ms. Kei Perenna Hoi Ting, including but not limited to Junxi Investments, but excluding the Group
"Shareholder(s)"	shareholder(s) of the Company
"Shareholding Structure Stability Arrangement"	means the shareholding structure stability arrangement under the Restructuring, for the issuance and allocation of Redirected MCBs to the Controlling Shareholder Nominee, the details of which are set out in the section headed "C. PROPOSED ISSUE OF THE MANDATORY CONVERTIBLE BONDS — 3. Connected MCB Issue — Shareholding Structure Stability Arrangement" in this announcement
"Shenzhen Logan"	Shenzhen Logan Holdings Co., Ltd.* (深圳市龍光控股有限公司), a wholly-owned subsidiary of the Company incorporated under the laws of the PRC with limited liability, with business registration number 9144030067298580XX
"Specific Mandate"	the specific mandate to be granted by the Shareholders at the Extraordinary General Meeting for the issue of the MCB Conversion Shares upon the conversion of the MCBs

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary"	means, in relation to any company, corporation, association or other legal entity (a "**holding company**"), a company, corporation or other legal entity: (a) which is controlled, directly or indirectly, by the holding company; (b) of which more than half the issued share capital is beneficially owned, directly or indirectly, by the holding company; or (c) which is a subsidiary of another Subsidiary of the holding company, and, for this purpose, a company, corporation, association or other legal entity shall be treated as being controlled by another if that other company, corporation, association or other legal entity is able to determine the composition of the majority of its board of directors or equivalent body
"Supplemental Trust Deed"	the supplemental trust deed dated 21 May 2026 entered into between the Company and Citicorp International Limited
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"Term Sheet"	means the Non-Binding Restructuring Term Sheet dated 7 May 2026, attached at Schedule 2 of the second amendment agreement to the Creditor Support Agreement dated 7 May 2026
"Total MCB Issue Amount"	means the total principal amount of MCBs to be issued pursuant to the Restructuring
"Transaction Website"	means the documents posting website maintained by the Information Agent in connection with the Restructuring, which shall be https://deals.is.kroll.com/logan-group or such other website as notified to Scheme Creditors from time to time
"Transfer Completion Date"	means the date of the instrument of transfer and novation deed in the form set out in the ALC Deed of Undertaking, which shall be within five (5) business days after the satisfaction of the following:

(a) the Company and the other shareholder of the ALC Project Company have reached an agreement in respect of the transfer of the relevant assets into a trust at the completion of each such shareholder's restructuring for the purpose of each such restructuring, and the other shareholder of the ALC Project Company has consented to the Company's Relevant ALC Assets Transfer; and

(b) the ALC Project Company (or the ALC HK Company) has obtained the necessary approvals or consents from the creditors under the ALC Senior Facility for the Relevant ALC Assets Transfer

((a) and (b) together as the "**ALC Assets Transfer Conditions**").

"treasury shares"	has the meaning ascribed to it under the Listing Rules
"Trustee"	Citicorp International Limited
"US$"	United States dollars, the lawful currency of the United States of America
"Zhong Shan Project"	a project in Zhong Shan that is under development and that is expected to be developed into one of the six marina bays for Hong Kong-Macau independent yacht travel and an integrated residential project, as described more particularly in paragraph 1.4 of Part 1 (Background to the Schemes and the Restructuring) of the Explanatory Statement
"Zhuhai Projects"	three projects in Zhuhai, Guangdong (in Taishang, Tianmu and Xunde respectively), as described more particularly in paragraph 1.4 of Part 1 (Background to the Schemes and the Restructuring) of the Explanatory Statement
"%"	per cent.

By order of the Board
Logan Group Company Limited
Kei Hoi Pang
Chairman

Hong Kong, 30 October 2026

As at the date of this announcement, the executive directors of the Company are Mr. Kei Hoi Pang, Mr. Lai Zhuobin, Ms. Huang Xiangling, Mr. Chen Yong and Mr. Zhou Ji; and the independent non-executive directors of the Company are Mr. Zhang Huaqiao, Ms. Liu Ka Ying, Rebecca, Mr. Cai Suisheng and Dr. Liu Yongping.