



China Shuifa Singyes Energy Holdings Limited

中國水發興業能源集團有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 750)

CASH COUPON ELECTION IN RELATION TO THE 2.00% CASH-PAY AND 4.00% PAY-IN-KIND GUARANTEED SENIOR NOTES DUE 2022 ISSUED BY THE COMPANY

Reference is made to the announcements of China Shuifa Singyes Energy Holdings Limited (the “**Company**”) dated 19 December 2019 in relation to the 2.00% Cash-Pay and 4.00% Pay-In-Kind Guaranteed Senior Notes Due 2022 (the “**Notes**”) issued by the Company.

Pursuant to the Indenture of the Notes, the Company has promised to pay interest on the principal amount of the Notes on each of 19 June and 19 December of each year (the “**Interest Payment Date**”) (i) in cash at the rate of 2.00% per annum prior to a Cash Coupon Election (as defined below) and thereafter at 6.00% per annum (each being “Cash Interest”, as applicable) and (ii) subject to a Cash Coupon Election (as defined below) by increasing the principal amount of the Notes or by issuing additional notes in a principal amount equal to 4.00% of the aggregate principal amount of the Notes then outstanding (“**PIK Interest**”) in accordance with the Indenture of the Notes.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announces that, on 1 June 2021, pursuant to the Indenture of the Notes, the Company has delivered a certificate (the “**Cash Coupons Election Certificate**”) to the trustee and paying agent of the Notes electing to pay all PIK Interest due on the Notes wholly in cash (the “**Cash Coupon Election**”).

Following a Cash Coupon Election, all accrued interest due on the aggregate principal amount of the Notes then outstanding shall be payable entirely in cash from and including the Interest Payment Date immediately preceding the date of the Cash Coupon Election Certificate (the “**Cash Coupon Effective Date**”) to the maturity date (i.e. 19 December 2022) and the Notes shall bear interest at the rate of 6.00% per annum from the previous Cash Coupons Effective Date, that is, 19 December 2020 (which interest rate, for the avoidance of doubt, is equal to the sum of (i) the applicable Cash Interest rate of 2% and (ii) the 4% rate of PIK Interest, in each case prior to the Cash Coupon Effective Date).

The Cash Coupon Election is irrecoverable.