



世纪阳光

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(in provisional liquidation)

(for restructuring purposes only)

(Incorporated in the Cayman Islands with limited liability)

UEN/Company Registration No.: 122654

(the “Company”)

UPDATE ON POSSIBLE DEBT RESTRUCTURING

Reference is made to the S\$101,750,000 7.0% Fixed Rate Notes Due 2020 (SGX: N200703; ISIN: SG7CG8000008) (the “**Notes**”) issued by the Company pursuant to its S\$300,000,000 Multicurrency Medium Term Note Programme established on 19 May 2015, each of which are constituted by the trust deed dated 19 May 2015 entered into between (1) the Company, as issuer, (2) the guarantors named therein, as guarantors, and (3) The Bank of New York Mellon, Singapore Branch, as trustee, as amended and restated by an amending and restating trust deed dated 9 May 2017 (collectively, the “**Amended Trust Deed**”) and the announcements made by the Company on 3 July 2020, 6 July 2020, 8 July 2020, 9 July 2020, 15 July 2020, 3 August 2020, 11 August 2020, 28 September 2020, 8 October 2020, 16 October 2020, 29 October 2020, 4 November 2020, 6 November 2020, 13 November 2020, 1 December 2020, 9 December 2020, 2 February 2021, 15 March 2021, 16 March 2021, 20 April 2021, 28 June 2021, 20 August 2021 and 19 October 2021. Capitalised terms used in this announcement shall bear the same meanings as those defined in the previous announcements unless the context requires otherwise.

Please refer to the attached announcement in relation to the Notes published by the Company on the Stock Exchange of Hong Kong Limited on 18 January 2022.

By Order of the Board of Directors

Century Sunshine Group Holdings Limited

(in provisional liquidation)

(for restructuring purposes only)

Chi Wen Fu

Chairman

18 January 2022

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世紀陽光

世紀陽光集團控股有限公司

CENTURY SUNSHINE GROUP HOLDINGS LIMITED

(in provisional liquidation)

(for restructuring purposes only)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 509)

**UPDATE ON POSSIBLE DEBT RESTRUCTURING OF THE COMPANY;
RENT CREDITORS' SCHEME;
AND
POTENTIAL FINANCIAL ASSISTANCE TO REMT**

References are made to the announcements of the Company dated 3 July 2020, 8 July 2020, 9 July 2020, 15 July 2020, 11 August 2020, 24 August 2020, 31 August 2020, 8 October 2020, 16 October 2020, 20 April 2021 and 19 October 2021 (the “**Announcements**”) in relation to, among other things, the winding up petition and application for the appointment of “light touch” joint provisional liquidators for debt restructuring purposes.

As disclosed in the Announcements, the annual report of the Company for the year ended 31 December 2020 and the interim report of the Company for the six months ended 30 June 2021, the Company has actively participated in negotiation with its creditors and the joint provisional liquidators of the Company to discuss and consider various debt restructuring plans of the Company, including but not limited to, debt restructuring by way of creditors’ scheme of arrangement.

THE PROPOSED SCHEME

The Company would like to provide an update to the Shareholders that the Company and the BVI Entities are taking proactive steps to formulate a holistic restructuring plan to be implemented through the Proposed Scheme, which pursuant to the heads of terms of the Proposed Scheme presented to the combined creditors’ committee of the Company and the BVI Entities, will include three assets in the Proposed Scheme, including (i) firstly, 20% of the issued shares capital of REMT held by Ming Xin; (ii) secondly, the entitlement to receive net sale proceeds (after deduction of all relevant tax, costs and expenses incidental to remittance) from the sale of land in Zhangzhou, the PRC owned by Century Sunshine (Zhangzhou) Ecological Technology Limited, a wholly-owned subsidiary of the Company; and (iii) thirdly, the entitlement to the dividend payments (after deduction of all relevant tax, costs and expenses incidental to remittance)

receivable by Acronagrotrans Ltd. (an immediate holding company of Shandong Hongri) from Shandong Hongri after the realisation of the Shandong Lands. Subject to the sanctioning of the Proposed Scheme by the relevant courts, any remaining balance of the abovementioned assets, after the debts as adjudicated and admitted under the Proposed Scheme are fully repaid, will be transferred to the REMT Scheme Company for settlement of the claims against the creditors of REMT.

The above arrangements may constitute notifiable transaction(s) of the Company under the Listing Rules and the Company will comply with the applicable requirements under the Listing Rules as and when appropriate. The Company will publish further announcement(s) to update the Shareholders and potential investors of the Company on the progress of the Proposed Scheme as and when appropriate.

REMT CREDITORS' SCHEME AND POTENTIAL FINANCIAL ASSISTANCE TO REMT

As disclosed in the REMT Announcement dated 18 January 2022, REMT, an indirect non-wholly subsidiary of the Company, proposed to implement the REMT Creditors' Scheme, which comprises (i) the Term Extension Option; (ii) the Convertible Bonds Swap Option; and (iii) a combination of the aforementioned two options. Each REMT Scheme Creditor with REMT Admitted Claims is entitled, to the extent of the total value of his/her/its REMT Admitted Claim(s), to elect between options (i), (ii) and (iii) above. Further details of the REMT Creditors' Scheme have been disclosed in the REMT Announcement.

In order to secure the REMT's payment obligations under the Term Extension Option, the following financial assistance will be provided to REMT in favour of the REMT Scheme Company by members of the Group.

Proposed Scheme Potential Repayment

For the purpose of the REMT Creditors' Scheme, in the event that (1) the debts as adjudicated and admitted under the Proposed Scheme are fully repaid with all the relevant costs and expenses under Proposed Scheme settled; and (2) the assets under the Proposed Scheme have not been fully utilised and exhausted for the purpose of the Proposed Scheme, the Company and the BVI Entities undertake to remit and procure to remit any remaining balance of the assets under the Proposed Scheme to the REMT Scheme Company, to be wholly applied to the repayment of the unsettled REMT Admitted Claims of Term Extension Option Creditors on a *pro rata* basis.

Potential Corporate Guarantee

The Company, as the ultimate parent company of REMT, shall provide and execute a corporate guarantee (on terms agreeable to the REMT Scheme Administrators) on or around the REMT Scheme Effective Date in favour of the REMT Scheme Company, to guarantee REMT's punctual payment of the interim distribution payable (if payable) and the final payment to the Term Extension Option Creditors on the terms under the REMT Creditors' Scheme. The potential corporate guarantee to be given by the Company is only enforceable upon the full and final settlement of all liabilities owed to the Company's creditors under the Proposed Scheme.

For the avoidance of doubt, whether or not the liabilities under the Proposed Scheme have been fully settled and discharged is to be determined by the scheme administrators of the said Proposed Scheme.

The Company will publish further announcement(s) to update the Shareholders and potential investors of the Company on the progress of the REMT Creditors' Scheme and the financial assistance to REMT as and when appropriate.

DEFINITIONS

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

“BVI Entities”	four wholly-owned subsidiaries of the Company incorporated in the British Virgin Islands including (1) New Bright Group Limited, (2) Ming Xin Developments Limited, (3) Long Xiang Enterprises Limited and (4) Acronagrotrans Ltd., all of which have been placed into provisional liquidation for the purposes of restructuring only
“Company”	Century Sunshine Group Holdings Limited (Provisional Liquidators Appointed for Restructuring Purpose Only), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 509)
“Convertible Bonds Swap Option”	a convertible bonds swap option available for REMT Scheme Creditors to elect, to convert in full or in part their REMT Admitted Claims into convertible bonds of REMT
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries (excluding REMT Group)
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Ming Xin”	Ming Xin Developments Limited, being a wholly-owned subsidiary of Company holding approximately 72.31% shareholding interest in REMT

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Scheme”	the proposed scheme of arrangement to be entered into between the Company, the BVI Entities and other relevant entities and their respective creditors, the terms of which are subject to further negotiations between the Company, BVI Entities and other relevant entities and their respective creditors
“REMT”	Rare Earth Magnesium Technology Group Holdings Limited (Provisional Liquidators Appointed for Restructuring Purposes Only), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 601)
“REMT Admitted Claim(s)”	a claim held by a REMT Scheme Creditor against REMT which has been admitted by the REMT Scheme Administrators or the adjudicators in accordance with the REMT Creditors’ Scheme, including claims that have been admitted following adjudication
“REMT Announcement”	the announcement of REMT dated 18 January 2022, in relation to among others, the Creditors’ Scheme
“REMT Creditors’ Scheme”	the proposed scheme of arrangement for REMT to be made between REMT and the REMT Scheme Creditors
“REMT Scheme Administrators”	the persons appointed under the REMT Creditors’ Scheme as the scheme administrators
“REMT Scheme Company”	a special purpose vehicle held and controlled by the REMT Scheme Administrators
“REMT Scheme Creditor(s)”	any person having a claim against REMT under the REMT Creditors' Scheme
“REMT Scheme Effective Date”	the date on which the REMT Creditors’ Scheme becomes effective
“Shandong Hongri”	山東紅日化工股份有限公司 (Shandong Hongri Chemical Joint Stock Company Limited), an indirect non-wholly owned subsidiary of the Company
“Shandong Lands”	land registered under the name of Shandong Hongri located in Shandong, PRC which are proposed to be disposed of by sale for the purposes of the Proposed Scheme

“Share(s)”	the ordinary shares of HK\$0.02 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term Extension Option”	an option available for REMT Scheme Creditors to elect, in full or in part of their REMT Admitted Claims to extend the repayment deadline of their REMT Admitted Claims for a period of five (5) calendar years beginning on the REMT Scheme Effective Date, for which such REMT Scheme Creditors shall be entitled to receive an annual interest on the outstanding balance of their REMT Admitted Claims during the extended period
“Term Extension Option Creditor(s)”	a REMT Scheme Creditor to the extent his/her/its REMT Admitted Claim is allotted to the Term Extension Option

By Order of the Board
Century Sunshine Group Holdings Limited
(in provisional liquidation)
(for restructuring purposes only)
Chi Wen Fu
Chairman

Hong Kong, 18 January 2022

As at the date of this announcement, the Directors are:

Executive Directors : *Mr. Chi Wen Fu and Mr. Chi Jing Chao*

Non-executive Director : *Mr. Guo Mengyong*

Independent Non-executive Directors : *Mr. Cheung Sound Poon, Mr. Sheng Hong and Mr. Shen Yi Min*