

SG Issuer
(Incorporated in Luxembourg with limited liability)

ANNOUNCEMENT

Proposed adjustments to the terms and conditions of:

- (i) **13,300,000 European Style Cash Settled Long Certificates expiring on 8 December 2022 relating to the ordinary shares of Sunac China Holdings Limited with a Daily Leverage of 5x (SUNAC 5XLONGSOCGEN 221208);**
- (ii) **13,300,000 European Style Cash Settled Long Certificates expiring on 20 April 2023 relating to the ordinary shares of Sunac China Holdings Limited with a Daily Leverage of 5x (SUNAC 5XLONGSOCGEN 230420); and**
- (iii) **13,300,000 European Style Cash Settled Short Certificates expiring on 8 December 2022 relating to the ordinary shares of Sunac China Holdings Limited with a Daily Leverage of -5x (SUNAC 5XSHORTSOCGEN 221208),**

(collectively, the “Certificates”).

*Terms defined or construed in the Supplemental Listing Documents dated 10 December 2019 and 21 April 2020 issued by SG Issuer (the “**Issuer**”) in relation to the Certificates bear the same meaning and construction in this announcement.*

The Issuer refers to its announcements dated 28 October 2020 and 30 October 2020 relating to Sunac China Holdings Limited (the “**Company**”), the announcements by the Company dated 6 August 2020, 20 October 2020 and 26 October 2020 (the “**Announcements**”), announcing, among other things, the proposed spin-off and separate listing (the “**Proposed Spin-off**”) of Sunac Services Holdings Limited (“**Sunac Services**”), a subsidiary of the Company, on the Main Board of the Stock Exchange of Hong Kong Limited (the “**HKEx**”), which will be implemented by way of global offering (“**Global Offering**”) of the ordinary shares of Sunac Services (“**Sunac Services Shares**”) and a distribution of 150,000,000 Sunac Services Shares, as a special dividend to be declared by the Company, to the shareholders whose names appear in the register of members of the Company on 5 November 2020 (“**Record Date**”) in proportion to their respective shareholding interest in the Company as at the Record Date (“**Distribution**”). The date on which the shares of the Company (the “**Shares**”) are expected to commence trading on an ex-Distribution basis is 3 November 2020 (the “**Ex-Date**”). The Distribution is however conditional on the Global Offering becoming unconditional in all respects, including among other things, the listing committee of the HKEx approving the listing of the Sunac Services Shares. Please refer to the Announcements for further details.

Pursuant to the announcement by the Company dated 9 November 2020, as at the Record Date, the total number of issued Shares is 4,661,265,911, and the number of the Sunac Services Shares that the shareholders of the Company will receive is adjusted from one Sunac Services Share for about every 31.07 Shares held on the Record Date to one Sunac Services Share for every 31.08 Shares held on the Record Date. In addition, pursuant to the announcement by Sunac Services dated 9 November 2020, it is expected that dealing in Sunac Services Shares on the HKEx will commence at 9:00 a.m. on 19 November 2020.

Accordingly, the formula for **Rfactor_i** will be updated as follows:

$$Rfactor_t = \frac{SpotCum - SpotSpinoff / 31.08}{SpotCum}$$

Where:

SpotCum = HK\$28.90, being the closing price of one Share on the HKEx on the last Underlying Stock Business Day immediately preceding the Ex-Date (which is 2 November 2020).

SpotSpinoff = being the volume weighted average price of one Sunac Services Share on the HKEx on 19 November 2020 (being the expected listing date of Sunac Services Shares), which will only be available after the market close of the HKEx on 19 November 2020.

The above adjustments will take effect on 20 November 2020 (being the Exchange Business Day immediately following the expected listing date of Sunac Services Shares).

Holders of the Certificates should note that trading in the Certificates has been suspended from 3 November 2020 and will be resumed from 9:00 a.m. on 20 November 2020 (being the Exchange Business Day immediately following the expected listing date of Sunac Services Shares).

In accordance with Condition 6(e) of each of the Certificates, the Issuer has determined that it is appropriate to exclude the period from and including 3 November 2020 to and including 19 November 2020 (being the expected listing date of Sunac Services Shares) (the “**Suspension Period**”) from the definition of “**Observation Date**” for the purpose of determining if there is a trigger of the Air Bag Mechanism and the daily reset of the Leverage Strategy and the Leverage Inverse Strategy. Under the adjusted definition of the Observation Date, there will be no trigger of the Air Bag Mechanism during the Suspension Period irrespective of the movement of the price of the Shares on the HKEx during such period, and there will be no daily reset of the Leverage Strategy and the Leverage Inverse Strategy during the Suspension Period.

Holders of the Certificates shall note that with effect from 30 October 2020, the definition of “**Observation Date**” has been deleted and replaced in its entirety with the following:

“**Observation Date**” which means each Underlying Stock Business Day (subject to Market Disruption Event) from (and including) the Underlying Stock Business Day immediately preceding the Expected Listing Date to the Valuation Date, but excluding the period from and including 3 November 2020 to and including 19 November 2020.

The proposed adjustments and suspension are consistent with the market practice of HKEx for adjustments to structured products and other derivative contracts listed on HKEx over the Shares arising from the Proposed Spin-off and the Distribution.

The Issuer will issue a further announcement relating to the exact *Rfactor_t* after the market close on 19 November 2020.

Issued by
SG Issuer

10 November 2020