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Dr.Peng Holding Hongkong Limited
(鵬博士投資控股香港有限公司)
(incorporated in Hong Kong with limited liability)

US\$500,000,000 7.55 per cent. Guaranteed Notes originally due 2020 and extended to 2022
(Global Note ISIN: XS1611011922, Common Code: 161101192)
(the “Notes”)

Announcement

References are made to the announcement of Dr.Peng Holding Hongkong Limited (the “**Issuer**”) dated 16 November 2021.

The Issuer, Dr.Peng Telecom&Media Group Co., Ltd. and their subsidiaries (the “**Group**”) have been engaged in the process of debt structuring in the face of tumultuous relationship between the United States and China, changing business of the Group and its low liquidity. The Group has arranged the divestitures of certain data centres and offshore assets in order to generate cash to cover its upcoming maturing debts. Starting from early 2020, the Group has made partial principal payments on the Notes in several instalments and has paid up the interest on the Notes accruing since 1 June 2020. As of the date of this Announcement, the outstanding principal amount of the Notes has been reduced to U.S.\$244,751,825.

The ability of the Group to make payments on or to redeem the offshore secured debts and the Notes substantially depends on the outcome of the sale of the Pacific Light Cable Network (“**PLCN**”). The Group and Pacific Light Data Communication Co., Ltd. (“**PLDC**”) have been in discussions of the proposed sale of certain interests in the PLCN with several potential buyers (“**Potential Transactions**”). The Group intends to use its best efforts to consummate the sale of the interest in the PLCN in order to secure financial resources to repay its indebtedness. However, any such sale necessarily requires significantly more time.

Although the Issuer has, for the benefit of the Noteholders and as security for the Issuer’s obligations in respect of the Notes, assigned in favour of the security trustee by way of security of the Issuer’s rights, title and interest in respect of certain intercompany loans from the Issuer to PLDC pursuant to a deed of assignment, the assignment is subject to applicable subordination arrangements under or in relation to certain offshore secured notes (“**Offshore Secured Notes**”). For example, pursuant to the subordination arrangements, before the redemption of the Offshore Secured Notes, the Issuer may not demand to be repaid under the intercompany loans without the requisite consent of holders of the Offshore Secured Notes.

During recent times, the Group has not redeemed or paid principal and interest in cash on the Offshore Secured Notes. Interest on the Offshore Secured Debt has been capitalised. As at the date of this announcement, the principal amount of the Offshore Secured Notes outstanding (including the capitalised amount of accrued interest) is approximately USD88.0 million.

In order to address the mismatch between the offshore asset disposal plan and the Issuer’s upcoming payment obligations, the Issuer expects to conduct a consent solicitation as soon as practicable for the Noteholders to consider

and, if thought fit, approve one or more resolutions for the purposes of modifying certain terms and conditions of the Notes. The proposed amendments have yet to be finalised, but may include, amongst other things, extensions of the maturity dates of the Notes. The Issuer encourages the Noteholders to participate in the consent solicitation and looks forward to timely creditor support to ensure the long-term success of the Group's business for the benefit of all holders of stakes.

The Issuer urges holders of the Notes to exercise patience because any default under the Notes, if it continues, may adversely affect Potential Transactions, which will prevent the Group from obtaining necessary financial resources and exacerbate the Group's financial illiquidity. Additionally, any action by Noteholders may result in enforcement actions by the lenders under the Offshore Secured Notes. The Issuer believes that it and its affiliates are in the best position to obtain a competitive selling price for interests in the PLCN. Any unilateral action by Noteholders may ultimately reduce the price that may be achieved and the interests of Noteholders may be materially and adversely affected.

Further details regarding any consent solicitation will be communicated via a future announcement.

The Issuer has engaged Alvarez and Marsal as its financial advisers. Contact details of the Issuer's advisers are set out as below:

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Investors are reminded to exercise caution when dealing in the securities of the Issuer.

BY ORDER OF THE BOARD

DR.PENG HOLDING HONGKONG LIMITED

Sun Lisi

Company Director

25 November 2021