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SHANDONG SANXING GROUP COMPANY LTD.

山東三星集團有限公司

OFFER TO EXCHANGE AT LEAST A MINIMUM ACCEPTANCE AMOUNT (AS DEFINED BELOW) OF THE OUTSTANDING 7.99% SENIOR NOTES DUE 2021 – CHANGE IN TERMS OF THE EXCHANGE OFFER AND NEW EXPIRATION DEADLINE AND INSTRUCTION FEE DEADLINE

Reference is made to the announcement of the Company dated December 2, 2020 (the “**Announcement**”) in relation to the Exchange Offer and the Scheme. Capitalized terms used in this announcement shall have the same meaning ascribed to them in the Announcement.

Minimum Acceptance Amount Condition

With immediate effect, the Company has amended the terms of the Exchange Offer such that it cannot not waive the condition of receiving tender of Existing Notes for at least the Minimum Acceptance Amount (i.e. US\$180,000,000, or 90%, of the outstanding principal amount of the Existing Notes). Accordingly, if the Company receives tender of the Existing Notes for less than the Minimum Acceptance Amount, it will not proceed with the Exchange Offer and the Exchange Offer shall lapse automatically.

Exchange Offer – New Expiration Deadline

The Company hereby announces that with immediate effect, the Expiration Deadline is extended from 4:00 p.m., London Time, on December 17, 2020 to 4:00 p.m., London Time on December 23, 2020 (the “**New Expiration Deadline**”). Correspondingly, subject to satisfaction or waiver of the conditions as set forth in the Exchange Offer Memorandum, settlement of the New Notes, delivery of the Exchange Consideration and (as applicable) the Instruction Fee to Eligible Holders whose Existing Notes have been validly tendered and accepted for exchange are expected to occur on or about December 30, 2020, and listing of the New Notes on the SGX – ST is expected to occur on or about December 31, 2020.

Eligible Holders who have validly tendered their Existing Notes at or prior to the original Expiration Deadline do not need to take any action. Such instructions in connection with the Exchange Offer remain valid and irrevocable.

Eligible Holders who have not tendered their Existing Notes may tender their Existing Notes at or prior to the New Expiration Deadline in accordance with the terms and conditions set forth in the Exchange Offer Memorandum. Instructions in connection with the Exchange Offer are irrevocable.

Subject to the consummation of the Exchange Offer, the Company will pay, with respect to Existing Notes validly tendered and accepted for exchange at or prior to the New Expiration Deadline, the Exchange Consideration and (as applicable) the Instruction Fee as set forth in the Exchange Offer Memorandum (as revised by this announcement).

Except for the modifications set forth above, all other terms and conditions of the Exchange Offer and the Scheme as set out in the Exchange Offer Memorandum shall remain unchanged. All documents and materials related to the Exchange Offer will be made available, subject to eligibility, on the Transaction Website: <https://sites.dfkingltd.com/sanxing>.

Restructuring Support Agreement – Instruction Fee Deadline

Pursuant to clause 9.3(b) of the restructuring support agreement (the “RSA”), the Issuer hereby notifies you of an Instruction Fee Deadline Extension (as defined therein). The Instruction Fee Deadline has been extended to 4:00 p.m. London time on December 23, 2020.

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, THE EXISTING NOTES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE EXCHANGE OFFER MEMORANDUM.

SHAREHOLDERS, ELIGIBLE HOLDERS OF THE EXISTING NOTES AND POTENTIAL INVESTORS SHOULD NOTE THAT COMPLETION OF THE EXCHANGE OFFER IS SUBJECT TO THE FULFILMENT OR WAIVER OF THE CONDITIONS PRECEDENT TO THE EXCHANGE OFFER AS SET FORTH IN THE EXCHANGE OFFER MEMORANDUM AND SUMMARIZED IN THE ANNOUNCEMENT. NO ASSURANCE CAN BE GIVEN THAT THE EXCHANGE OFFER WILL BE COMPLETED AND THE COMPANY RESERVES THE RIGHT TO AMEND, WITHDRAW OR TERMINATE THE EXCHANGE OFFER WITH OR WITHOUT CONDITIONS.

THE COMPANY MAY, IN ITS SOLE DISCRETION, AMEND OR WAIVE CERTAIN OF THE CONDITIONS PRECEDENT TO THE EXCHANGE OFFER. AS THE EXCHANGE OFFER MAY OR MAY NOT PROCEED, SHAREHOLDERS, HOLDERS OF THE EXISTING NOTES AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY OR THE EXISTING NOTES.

The Exchange Offer is not being made to (nor will the tender of the Existing Notes be accepted from or on behalf of) Holders in any jurisdiction where the making or acceptance of the Exchange Offer would not comply with the laws of such jurisdiction. If the Company becomes aware of any jurisdiction in which the making of the Exchange Offer would not be in compliance with applicable laws, the Company may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort, if any, the Company cannot comply with any such law, the Exchange Offer will not be made to (nor will tenders be accepted from or on behalf of) any Holder residing in such jurisdiction.

By order of the Board
Shandong Sanxing Group Company Ltd.
Wang Mingfeng
Director

Hong Kong, December 17, 2020

As at the date of this announcement, the directors of the Company are Mr. Wang Mingfeng, Mr. Wang Mingxing and Mr. Wang Mingliang.