



天譽置業 (控股) 有限公司
SKYFAME REALTY (HOLDINGS) LIMITED
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
(Incorporated in Bermuda with limited liability)

PROPOSED DEBT RESTRUCTURING
ENTERING INTO RESTRUCTURING SUPPORT AGREEMENT

THE PROPOSED DEBT RESTRUCTURING

The Proposed Restructuring of the Existing Debt is intended to be implemented by way of a Bermuda Scheme and a Hong Kong Scheme.

The Proposed Schemes will be structured as a compromise between, among others, each relevant Transaction Company and the persons who hold a beneficial interest (or with respect to the Loan and Trade Debt, legal interest) in the relevant Existing Debt at the Record Time.

THE RESTRUCTURING SUPPORT AGREEMENT

The Board is pleased to announce that on 29 September 2023, the Transaction Companies entered into the Restructuring Support Agreement with the Initial Participating Creditors and the Information Agent, pursuant to which they have agreed to, among other things, support and facilitate the Proposed Restructuring and the Proposed Schemes.

The terms of the Proposed Restructuring are set out in the term sheet annexed to the Restructuring Support Agreement (the “**Term Sheet**”).

Completion of the Proposed Restructuring is subject to the fulfilment of various conditions. There is therefore no assurance that the Proposed Restructuring or the Proposed Schemes will be materialised. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

References are made to the announcements and inside information announcements of the Company dated 5 July 2022, 7 July 2022, 12 July 2022, 25 July 2022, 5 August 2022, 15 August 2022, 16 August 2022, 1 September 2022, 31 October 2022, 6 February 2023, 2 May 2023 and 31 July 2023 (the “**Announcements**”) in relation to, among other things, (i) a winding up petition and an application for the appointment of “light touch” joint provisional liquidators for debt restructuring purposes filed by the Company; and (ii) the court hearing dates for the JPL Application and the Petition. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements.

ENTERING INTO OF THE RESTRUCTURING SUPPORT AGREEMENT

The Board is pleased to announce that on 29 September 2023, the Transaction Companies entered into the Restructuring Support Agreement with the Initial Participating Creditors and the Information Agent, pursuant to which they have agreed to, among other things, support and facilitate the Proposed Restructuring and the Proposed Schemes.

Restructuring support

Each Participating Creditor confirms that it shall use its beneficial interest (or with respect to the Loan and Trade Debt, legal interest) in the relevant Existing Debt to approve and fully support the Proposed Restructuring and the Proposed Schemes on the terms and subject to the conditions set out in the Restructuring Support Agreement.

The Participating Creditors' undertakings

Subject to the terms and conditions as set out in the Restructuring Support Agreement, each Participating Creditor irrevocably undertakes, in favour of the relevant Transaction Company on whose Proposed Scheme(s) the Participating Creditor will be voting, that it will, among other things:

- (a) use all reasonable endeavours in order to support, facilitate, implement or otherwise give effect to the Proposed Restructuring (provided that such action is consistent in all material respects with the Term Sheet) as soon as reasonably practicable;
- (b) progress and implement the Proposed Restructuring in accordance with the terms set out in the Restructuring Support Agreement;
- (c) use all reasonable endeavours to provide assistance to the Transaction Companies for the purpose of any regulatory or statutory clearance in connection with the Proposed Restructuring;
- (d) support any actions taken by the Group to obtain recognition or protection of the Proposed Restructuring in any court of any jurisdiction and take all other actions requested by the Transaction Companies to implement or protect the Proposed Restructuring (in each case, provided that the terms of any such recognition, protection, filing or actions reasonably requested by the Transaction Companies are consistent in all material respects with the terms as set out in the Term Sheet); and
- (e) not commence, take, support or assist (or request, instruct or procure any other person to commence, take, support or assist) any action against any member of the Group or in connection with any default or event of default (howsoever described) under the Existing Documents howsoever arising, including, without limitation, any Enforcement Action, to the extent a Participating Creditor has taken any action resulting in an Existing Enforcement Action, such Participating Creditor shall not take any further action (however described) in connection with any such Existing Enforcement Action.

The Transaction Companies' undertakings

Subject to the terms and conditions as set out in the Restructuring Support Agreement, each relevant Transaction Company undertakes in favour of the Participating Creditors that it shall, among other things:

- (a) perform all actions as are reasonably necessary in order to support, facilitate, implement or otherwise give effect to the Proposed Restructuring (provided that such action is consistent in all material respects with the Term Sheet) as soon as reasonably practicable;
- (b) implement the Proposed Restructuring and the Proposed Schemes in the manner envisaged by, and materially on the terms and conditions set out in, the Restructuring Support Agreement;
- (c) upon the Restructuring Documents being finalised and in agreed form, file and pursue expeditiously any legal process or proceedings contemplated by or required to implement the Proposed Restructuring, including (without limitation) seeking leave and order from the relevant court for convening the Scheme Meetings and sanctioning the Proposed Schemes;
- (d) take any actions pursuant to any order of, or sanction by, any court (including, without limitation, the Bermuda Court and the Hong Kong Court) as may be required or necessary to implement or give effect to the Proposed Restructuring;
- (e) perform all actions as are reasonably necessary to procure that, on or before the Longstop Date: (i) each Scheme Effective Date occurs; and (ii) the Restructuring Effective Date occurs as soon as practicable following the occurrence of all the relevant Scheme Effective Date;
- (f) convene all meetings of the shareholders and/or creditors of any member of the Group (as applicable) which are required to consider any resolutions and/or decisions in relation to the Proposed Restructuring;
- (g) obtain, using all reasonable endeavours, any necessary regulatory or statutory approval required to permit or facilitate the Proposed Restructuring (including, without limitation, any approval of the Stock Exchange, the SGX or any Clearing Systems as may be required); and
- (h) obtain, using all reasonable endeavours, all corporate and regulatory approvals necessary to implement the Proposed Restructuring in the manner envisaged by, and materially on the terms and conditions set out in, the Restructuring Support Agreement.

Consent Fee

Subject to certain terms and conditions as particularized in the Restructuring Support Agreement, each relevant Transaction Company undertakes to pay or procure the payment of the Consent Fee with respect to each Eligible Restricted Debt, which has on or prior to the Consent Fee Deadline validly been made subject to the terms of the Restructuring Support Agreement by a Participating Creditor, in accordance with the terms of the Scheme Documents.

Accession to the Restructuring Support Agreement

Each Initial Participating Creditor shall submit a properly completed and executed Initial Restricted Debt Notice to the Information Agent (acting on behalf of each relevant Transaction Company) on or before the date falling five (5) Business Days after the date of the Restructuring Support Agreement.

A person holding a legal or beneficial interest as principal in the relevant Existing Debt (or any fund or other entity advising or managing such person and that is acting on its behalf) who is not a Party may accede to the Restructuring Support Agreement as an Additional Participating Creditor by submitting to the Information Agent, a validly completed and executed Accession Letter and Restricted Debt Notice online via the Transaction Website in respect of all of its relevant Existing Debt (as applicable) (thereby making them Restricted Debt for the purposes of the Restructuring Support Agreement), as well as submitting a valid Electronic Consent Instruction to the relevant Clearing System. The Accession Letter and Restricted Debt Notice must be delivered electronically via <https://www.dfkingltd.com/skyfame> prior to the Consent Fee Deadline.

Information Agent

The Information Agent can be contacted using the below details:

D.F. King Ltd.

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| Address: | In Hong Kong | In London |
| | Suite 1601, 16/F, Central Tower | 65 Gresham Street |
| | 28 Queen's Road Central | London EC2V 7NQ |
| | Hong Kong | United Kingdom |

Email: Skyfame@dfkingltd.com

Tel: HK +852 5803 1716

UK +44 20 4578 1565

Attention: Debt Team

Termination

The Restructuring Support Agreement and the rights and obligations created pursuant thereto will terminate automatically and immediately on the earliest to occur of any of the following:

- (a) any Court rejecting, in a final and unappealable decision (which cannot be remedied with sufficient time for the Restructuring Effective Date to occur prior to the Longstop Date), the Company's application to convene the Scheme Meetings;
- (b) after the relevant Transaction Company files an application with a Court to propose the relevant Proposed Scheme:

- (i) the relevant Proposed Scheme not being finally approved by the requisite majorities of the relevant Scheme Creditors at the relevant Scheme Meeting (provided that the relevant Scheme Meeting may be reasonably postponed or reasonably adjourned to a subsequent date in order to obtain the requisite approval) and there being no reasonable prospect of the Proposed Restructuring being effected prior to the Longstop Date; or
 - (ii) such Court not granting a Sanction Order at the Sanction Hearing and there being no reasonable prospect of the Proposed Restructuring being effected prior to the Longstop Date and the relevant Transaction Company has exhausted all avenues of appeal;
- (c) the Restructuring Effective Date; and
- (d) the Longstop Date.

The Restructuring Support Agreement may otherwise be terminated :

- (a) by a Transaction Company, upon notice to the Participating Creditors; and following consultations with the JPLs and legal counsel, if such Transaction Company makes a reasonable good faith determination that there is no reasonable prospect of successfully completing the relevant Proposed Scheme prior to the Longstop Date;
- (b) by mutual written agreement of the Transaction Companies (after consultation with the JPLs) and with the Majority Participating Creditors;
- (c) in respect of a Participating Creditor, at the election of the relevant Transaction Company (whose Proposed Scheme(s) would otherwise be subject to voting by such Participating Creditor) by the delivery of a written notice of termination by such Transaction Company to a Participating Creditor, if that Participating Creditor does not comply with any undertaking in the Restructuring Support Agreement in any material respect, unless the failure to comply is capable of remedy and is remedied within ten (10) Business Days of delivery of such notice of termination by such Transaction Company to the relevant Participating Creditor, and in such circumstances the termination shall be with effect from immediately after ten (10) Business Days, but only if the failure to comply is not remedied within the ten (10) Business Days;
- (d) by a Participating Creditor in respect of that Participating Creditor only:
 - (i) if that Participating Creditor sells, transfers, assigns or otherwise disposes of all of its claims that are Scheme Creditors' Claims in accordance with the Restructuring Support Agreement; or
 - (ii) if entry into the Proposed Restructuring will (in reasonable opinion of that Participating Creditor and according to written advice on the matter provided by an independent reputable international law firm) put that Participating Creditor in breach of any law, order, writ, injunction, decree, statute, rule or regulation applicable to it.
- (e) at the election of Super Majority Participating Creditors, in each case by and upon written notice of termination to the relevant Transaction Company (which shall notify the other Parties), following the occurrence of any of the following:

- (i) the relevant Transaction Company making any payment in respect of the relevant Existing Debt, other than in accordance with the Restructuring Support Agreement;
- (ii) a final winding-up order being made against the relevant Transaction Company (save when such order does not prevent the implementation of the Proposed Restructuring);
- (iii) if the relevant Transaction Company proposed a scheme that is materially inconsistent with the terms set out in the Term Sheet (as amended if applicable in accordance with the Restructuring Support Agreement) and such failure is not remedied within five (5) Business Days of written notice of such inconsistency being given to such Transaction Company by the Super Majority Participating Creditors; or
- (iv) the relevant Transaction Company fails to comply with the Restructuring Support Agreement in any material respect and such non-compliance is not remedied within ten (10) Business Days of written notice of such non-compliance being given to such Transaction Company by the Super Majority Participating Creditors.

There can be no assurance that creditors of the Company other than the Initial Participating Creditors will accede to the Restructuring Support Agreement, that the Proposed Schemes will be approved or sanctioned, or that discussions with the creditors can be progressed to any positive conclusion. Accordingly, the Company offers no assurance that the Proposed Restructuring will be successfully concluded. The creditors of the Company also assume no responsibility for, and makes no representation to any person as to, the successful completion of the Proposed Restructuring or the contents of this announcement. Shareholders, Noteholders, holders of other securities of the Company and potential investors in the securities of the Company are advised to exercise extreme caution when dealing with the securities of the Company.

TERM SHEET

The Term Sheet as set out in the Restructuring Support Agreement provides certain material terms and conditions in connection with the Proposed Restructuring. The principal terms of the Term Sheet are as follows:

Existing Debt

There are three categories of Existing Debt to be covered under the Proposed Schemes:

Category 1

US\$247,000,000 13.0% secured senior notes due 8 July 2022 (ISIN: XS2022224047, Common Code: 202222404) issued by the Company (the “**2022 Notes**”).

Category 2

unsecured debt, including:

- (a) US\$292,000,000 13.0% unsecured senior notes due 16 December 2023 (ISIN: XS2272702338, Common Code: 227270233) issued by Skyfame International and guaranteed by the Company (the “**2023 Notes**”);
- (b) 7.0%, 8.0% and 12.5% step-up coupon senior unsecured bonds issued by the Company due on various dates in 2023 and 2024 (the “**2023 HKD Bonds**”);
- (c) US\$20,000,000 14.5% senior guaranteed bonds issued by Rich Apex and guaranteed by the Company due on various dates in December 2022 and January 2023 (the “**2023 USD Bonds**”);
- (d) the Unsecured Portion (as defined below), if any, of certain secured debt of the Loan; and
- (e) Trade Debt, comprising certain USD denominated and HKD denominated non-recurring trade payables.

“**Unsecured Portion**” means the remaining amount due to the relevant Scheme Creditors under the Loan after deducting the value of the collateral securing such Existing Debt as finally adjudicated by the Scheme Administrators.

Category 3

The Medium-Term Bonds.

Scheme Creditors’ Claims

The sum of:

- (i) the outstanding principal amount of the Category 1 Existing Debt and the Category 2 Existing Debt held by the Scheme Creditors as at the Record Time;
- (ii) the Carrying Amount of the Medium-Term Bonds held by the Scheme Creditors as at the Record Time; and
- (iii) all accrued and unpaid interest on such Existing Debt up to (but excluding) the Restructuring Effective Date (as defined below),

that are admitted by the Scheme Administrators (together in aggregate, the “**Scheme Creditors’ Claims**”).

On and from the Restructuring Effective Date, upon (i) issuance of the Scheme Notes and (ii) the successful amendments to each series of the Medium-Term Bonds, the relevant Scheme Creditors will, subject to certain exceptions to be agreed, fully release all claims against each relevant Transaction Company and other Obligors and their respective shareholders, officers, directors, advisors and representatives, or office-holders under and in connection with the Existing Debt, in exchange for: (A) the Scheme Consideration in accordance with the terms of the Scheme Documents; and (B) each relevant Transaction Company agreeing to fully release, subject to certain exceptions to be agreed, all claims against the relevant Scheme Creditors and any of such Scheme Creditors’ respective officers, directors, representatives and advisors under and in connection with the Existing Debt.

Conditions to the Proposed Restructuring

Restructuring Effective Date means the day (determined by the Transaction Companies with notification to Scheme Creditors) on which all outstanding Existing Debt will be cancelled and all guarantees in connection with the Existing Debt will be released and the Scheme Consideration will be distributed to the Scheme Creditors, with the conditions precedent to the Restructuring Effective Date having been either (A) satisfied; or (B) waived by the Company, on or prior to the Restructuring Effective Date, including:

- (i) the Scheme Effective Date having occurred;
- (ii) the obtaining of all relevant approvals, pre-approvals or consents, as applicable, including without limitation (A) approval in-principle for the listing and quotation of the Scheme Notes on a stock exchange of international standing; and (B) any board approvals of the relevant Transaction Company required to consummate the Proposed Schemes under the Proposed Restructuring;
- (iii) the settlement of all professional parties' fees and expenses associated with the Proposed Restructuring;
- (iv) each Restructuring Document being in an agreed form and having been executed by the relevant parties thereto; and
- (v) the satisfaction of each of the specific conditions precedent contained in each of the Scheme Documents.

Moratorium of Claims

From the date of the Restructuring Support Agreement to the Restructuring Effective Date, a Scheme Creditor shall not, in relation to its Scheme Creditors' Claim:

- (i) commence or continue with any application for an order to wind up any Transaction Company in any jurisdiction;
- (ii) institute, revive or continue any action, suit, arbitration, mediation, proceeding or enforcement process against any Transaction Company or in relation to its assets in any jurisdiction (other than the appointment of receivership to dispose of the collateral securing the Loan);
- (iii) take any action whatsoever to seek recovery of any part of its claim;
- (iv) enforce any right it may have or acquire, that is inconsistent with, or not permitted by, the provisions of the relevant Proposed Scheme and/or the Restructuring Documents; and
- (v) engage in other conducts as restricted in the Restructuring Support Agreement.

On and from the Restructuring Effective Date, each Transaction Company will be empowered under the Proposed Schemes by all Scheme Creditors to apply for the dismissal of all of the above application, action, suit, arbitration, mediation, proceeding or enforcement process.

Early Repayment

The Scheme Notes and Amended Medium-Term Bonds may be repaid, redeemed, settled and/or offset prior to their respective maturity dates through *any or all* of the following:

- (i) the Debt-to-Equity Swap;

- (ii) the Specified Assets Disposal;
- (iii) the SPV Debt-to-Equity Swap; and/or
- (iv) Liquidated Specified Assets Disposal.

A. Debt-to-Equity Swap

The Company has obtained a general mandate granted by the Shareholders to its Directors to allot, issue and otherwise deal with the Shares not exceeding 20% of the total number of issued shares of the Company. Each Holder is entitled to elect the number of Shares that times the Conversion Price, would be equal to multiples of 10%, and up to 50%, of the then principal amount of the Scheme Notes and/or the then Carrying Amount of the Amended Medium-Term Bonds it holds. Upon allocation of the Shares to any Holder who elects to receive the Shares by the Company, the Scheme Notes and/or Amended Medium-Term Bonds held by such Holder in an aggregate principal amount (or with respect to the Amended Medium-Term Bonds, the Carrying Amount) equal to the number of the Shares allocated to such Holder times the Conversion Price shall be cancelled or marked down, as the case may be.

B. Specified Assets Disposal

The Company shall, subject to applicable laws and regulations and any senior secured creditors' right under relevant financing documents, designate eight specified assets of the Group for sale (each, a "**Specified Asset**", and collectively the "**Specified Assets**"). Each Holder may elect to bid any and all such Specified Asset at a bid price no lower than the Reserve Price of any such Specified Asset through a bidding procedure. Any Holder who submits the final best valid bid price (the "**Bid Price**") will be the successful bidder (the "**Successful Bidder**"). If the Bid Price of the Successful Bidder is equal to or exceeds 50% of the then outstanding principal amount of the Scheme Notes and/or the then Carrying Amount of the Amended Medium-Term Bonds held by such Successful Bidder (such up to 50% amount, the "**Credit Bid Amount**"), the Scheme Notes and/or the Amended Medium-Term Bonds in an aggregate principal amount (or with respect to the Amended Medium-Term Bonds, the Carrying Amount) equal to the Credit Bid Amount shall be cancelled or marked down and counted towards payment of the Bid Price by the Successful Bidder, and the Successful Bidder shall pay to the Company in cash any difference between the Bid Price and the Credit Bid Amount..

C. SPV Debt-to-Equity Swap

Each Holder may elect to convert multiples of 10%, and up to 50%, of the then outstanding principal amount of the Scheme Notes and/or the then Carrying Amount of the Amended Medium-Term Bonds held by such Holder into the ordinary shares of a special purpose vehicle ("**SPV**"), which will be wholly owned by all Holders electing the SPV Debt-to-Equity Swap and have contractual rights to receive up to 70% of the net proceeds from the SPV Specified Assets.

D. Liquidated Specified Assets Disposal

Disposal through Scheme Administrators

The Company will sign an agreement with the Scheme Administrators to supervise the disposal of Liquidated Specified Assets. The Scheme Administrators may, at their discretion, instruct

and direct the project company directly holding the Liquidated Specified Assets, subject to applicable laws and regulations and any senior secured creditors' right under relevant financing documents, to dispose of the Liquidated Specified Assets through public auction, private tender, or any other means (in respect of part or all of the Liquidated Specified Assets) and at the price and to the buyer as the Scheme Administrators deem fit. The Scheme Administrators will consult with and report to the relevant Transaction Company and the Scheme Creditors' Committee where appropriate.

There can be no assurance that creditors of the Company other than the Initial Participating Creditors will accept the proposed terms of the Term Sheet, that the Proposed Schemes will be approved or sanctioned, or that discussions with creditors can be progressed to any positive conclusion. Accordingly, the Company offers no assurance that the Proposed Restructuring will be successfully concluded. Shareholders, Noteholders, holders of other securities of the Company and potential investors in the securities of the Company are advised to exercise extreme caution when dealing with the securities of the Company.

DEFINITIONS

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

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| “Accession Letter” | a letter pursuant to which a person becomes a Party as an Additional Participating Creditor, in the form set out in the Restructuring Support Agreement |
| “Account Holder” | a person who is recorded in the books of a Clearing System as being a holder of Existing Notes and the Medium-Term Bonds in an account with such Clearing System at the Record Time |
| “Account Holder Letter” | a letter from an Account Holder on behalf of the Participating Creditor |
| “Additional Participating Creditor” | a person holding a beneficial interest (or with respect to the Loan and Trade Debt, legal interest) as principal in the relevant Existing Debt who has agreed to be bound by the terms of the Restructuring Support Agreement as a Participating Creditor in accordance with the Restructuring Support Agreement |
| “Affiliate” | with respect to any person, any other person: (a) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such person; or (b) who is a director or officer of such person or any subsidiary of such person or of any person referred to in clause (a) of this definition; and with respect to any Participating Creditor, any of its managers, investment manager or investment advisors, and any entity managed or advised by that manager, investment manager or investment advisor. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”), as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the |

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| | direction of the management and policies of such person, whether through the ownership of voting securities, by contract or otherwise |
| “Amended Medium-Term Bonds” | the Medium-Term Bonds with amended maturity dates of a date falling 10 years after the existing maturity date for the respective series of Medium-Term Bonds pursuant to the Proposed Schemes |
| “Amended Medium-Term Bonds Documents” | any bond instrument or agreement with respect to the Amended Medium-Term Bonds. |
| "Bermuda Companies Act" | The Companies Act 1981 of Bermuda as amended from time to time |
| "Bermuda Court" | the Supreme Court of the Bermuda |
| "Bermuda Scheme" | the scheme of arrangement in relation to the Company under Section 99 of the Bermuda Companies Act in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Bermuda Court or approved in accordance with the terms thereof |
| "Board" | the board of Directors |
| “Business Day” | any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, London, Bermuda, the Cayman Islands, Hong Kong or the PRC are authorised or required by law or governmental regulation to close |
| “Carrying Amount” | with respect to a series of Medium-Term Bonds or Amended Medium-Term Bonds, the outstanding amount of such series of Medium-Term Bonds or Amended Medium-Term Bonds payable by the Company to the relevant Participating Creditor as of the Record Time or other point of time as determined by the Company pursuant to the relevant Medium-Term Bonds Documents or Amended Medium-Term Bonds Documents |
| “Clearing System” | any one of: (a) Clearstream Banking S.A., or (b) Euroclear Bank S.A./N.V., (together, the “ Clearing Systems ”). |
| "Companies Ordinance" | Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time |
| "Company" | Skyfame Realty (Holdings) Limited, a company incorporated in the Bermudas with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 59) |
| “Consent” | an instruction to accede to the Restructuring Support Agreement delivered via the relevant Clearing System or by sending email to the Information Agent at Skyfame@dfkingltd.com as detailed in the Restructuring Support Agreement |

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| "Consent Fee" | the consent fee as described in the section headed "Consent Fee" in this announcement |
| "Consent Fee Deadline" | 5:00 p.m. Hong Kong time on 8 November 2023, or such later date and time as the relevant Transaction Company may elect, in each case, in accordance with Clause 10.3(a) of the Restructuring Support Agreement. For the avoidance of doubt, any Consent Fee will be paid on or prior to the Restructuring Effective Date |
| "Courts" | the Bermuda Court and the Hong Kong Court (each, a "Court"). |
| "Conversion Price" | the conversion price for the Debt-to-Equity swap, which shall be a quotient of 90% of Net Asset Value and the total number of Shares issued by the Company as at the Restructuring Effective Date |
| "Director(s)" | director(s) of the Company |
| "Electronic Consent Instruction" | an authenticated SWIFT message or instructions delivered in accordance with the processes in place at the relevant Clearing System, in each case, to authorize the delivery of a Consent to accede to the Restructuring Support Agreement |
| "Eligible Restricted Debt" | a Restricted Debt which was made subject to the Restructuring Support Agreement by a Participating Creditor on or prior to the Consent Fee Deadline |
| "Enforcement Action" | in relation to any Existing Document: <ul style="list-style-type: none"> (a) the acceleration of any sum payable or the making of any declaration that any sum payable is due and payable or payable on demand; (b) the making of any demand against any member of the Group under any guarantee or surety provided by that member of the Group; (c) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any sums payable or under any guarantee or surety provided by any member of the Group; (d) the taking of any steps to enforce or require the enforcement of any security granted by any member of the Group, or judgment or arbitral award obtained against any member of the Group; (e) the levying of any attachment, garnishment, sequestration or other legal process over or in respect of any assets of the Group; (f) the petitioning, applying or supporting in relation to any Insolvency Proceedings in respect of any member of the |

Group;

- (g) the commencing or continuation of any legal action or other proceedings (including interim applications) against any member of the Group (or any director or officer of such member of the Group solely in its capacity as director or officer thereof) or any of their respective assets;
- (h) joining any other entity or person in the exercise of any of the foregoing rights;
- (i) exercising any right, power, privilege or remedy in connection with the foregoing; or
- (j) directing any trustee or agent to do any of the foregoing,

except that the following shall not constitute Enforcement Action:

- (i) any action as contemplated by the Proposed Restructuring,
- (ii) any action falling within (a) to (j) above which is necessary, but only to the extent necessary, to preserve the validity, existence or priority of claims in respect of the relevant Existing Debt, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent the loss of the right to bring, support or join proceedings by reason of applicable limitation periods,
- (iii) a Participating Creditor (or any trustee or agent acting on its behalf) taking any step required to ensure that such Participating Creditor (or any such trustee or agent) is able to and/or entitled to participate and/or vote in respect of the relevant Existing Debt in any Insolvency Proceedings in respect of an Obligor; and/or
- (iv) a Participating Creditor (or any trustee or agent acting on its behalf) taking any step that it reasonably determines is required to comply with its obligations under the Restructuring Support Agreement

“Excluded Creditors”

- (i) A person with preferential claim (such as employee) with respect to the amount of such person’s preferential claim;
- (ii) The Hong Kong government;
- (iii) Foreign governments in respect of tax debts;
- (iv) Creditors whose debts are governed by the PRC law; and
- (v) Any other creditor which may be specifically identified by the Company

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| “Existing Documents” | the Existing Notes, the Indentures, the Medium-Term Bonds Documents, the 2023 HKD Bonds Instrument, the 2023 USD Bonds Documents, the Loan Facility Letter and any related guarantee or security documents and any documents governing the Trade Debt |
| “Existing Debt” | the Existing Notes and the Non-Notes Debt |
| “Existing Enforcement Action” | any Enforcement Action taken under or in connection with the Existing Documents prior to the date of the Restructuring Support Agreement |
| "Existing Notes" | the 2022 Notes and the 2023 Notes |
| "Governmental Agency" | any government or any governmental agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute) |
| "Group" | the Company and its subsidiaries from time to time |
| "HK\$" | Hong Kong dollar, the lawful currency of Hong Kong |
| “Holder” | each relevant holder of the Scheme Notes and the Amended Medium-Term Bonds and collectively, “Holders” |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Hong Kong Court" | the High Court of Hong Kong and any court capable of hearing appeals therefrom |
| "Hong Kong Scheme" | the scheme of arrangement in relation to the Company under Sections 673 and 674 of the Companies Ordinance in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Hong Kong Court or approved in accordance with the terms thereof |
| "Indenture" | <p>(a) the indenture dated 8 July 2019 as amended, supplemented or otherwise modified from time to time, between the Company and Citicorp International Limited as trustee governing the 2022 Notes; and</p> <p>(b) the indenture dated 16 December 2020 as amended, supplemented or otherwise modified from time to time, between Skyfame International, the Company and Citicorp International Limited as trustee governing the 2023 Notes</p> <p>(together, the “Indentures”)</p> |
| "Informal Creditors’ Committee” | a committee existing before the Restructuring Effective Date, which consists of three Scheme Creditors elected from each of the three categories of the Existing Debt |

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| "Information Agent | D.F. King, a company taken to be registered incorporated in New South Wales, Australia, and registered to do business in Hong Kong with companies registration number F0016526 whose office is at Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Central, Hong Kong |
| "Initial Participating Creditors" | creditors of the Company entered into the Restructuring Support Agreement |
| "Initial Restricted Debt Notices" | the Restricted Debt Notices to be provided by the Initial Participating Creditors pursuant to the Restructuring Support Agreement |
| "Intermediary" | a person who holds an interest in Existing Notes and the Medium-Term Bonds on behalf of another person, but who is not an Account Holder |
| "Joint Provisional Liquidators" or "JPLs" | So Kit Yee Anita and Lau Wun Man, both of Ernst & Young Transactions Limited and Joel Edwards of EY Bermuda Ltd. |
| "Liquidated Specified Assets" | a total of seven assets of the Group |
| "Liquidated Specified Assets Disposal" | the disposal of Liquidated Specified Assets |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange |
| "Loan" | means the loan between a licence bank in Hong Kong as the lender and Waymax as the borrower |
| "Longstop Date" | 30 June 2024, or such later date and time as the Transaction Companies may elect to extend |
| "Medium-Term Bonds" | certain Medium-Term bonds issued by the Company |
| "Medium-Term Bonds Documents" | the relevant arranger agreements, placing agreements, deed poll, deeds of covenants, fiscal agency agreements, among others, entered into by the Company for the issuance of the Medium-Term Bonds |
| "Net Asset Value" | (1) the net asset value of the Group as at 31 December 2022 or (2) the net asset value of the Group published on the Stock Exchange as reviewed or audited by an independent auditor, whichever is later |
| "Non-Notes Debt" | the Medium-Term Bonds, the 2023 HKD Bonds, the 2023 USD Bonds, the Loan and Trade Debt |
| "Noteholder(s)" | with respect of any Existing Notes, the persons who are beneficial owner and/or the owner of the ultimate economic interest in those Existing Notes |

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| “Obligors” | collectively, the Company, Skyfame International, Rich Apex, Waymax, and guarantor, chargor and security provider to the Existing Debt. |
| “Participating Creditor” | an Initial Participating Creditor or an Additional Participating Creditor, but excludes any Initial Participating Creditor or Additional Participating Creditor that has exercised its right to terminate the Restructuring Support Agreement in accordance with the terms of the Restructuring Support Agreement |
| “Party” | a party to the Restructuring Support Agreement |
| "PRC" | the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| "Proposed Restructuring" | the proposed restructuring of, among other things, the indebtedness of the Obligors in respect of the relevant Existing Debt, to be conducted materially in the manner envisaged by, and materially on the terms set out in, the Term Sheet and to be implemented by way of the Restructuring Documents |
| "Proposed Schemes" | the Bermuda Scheme and the Hong Kong Scheme and “Scheme” means either of them. |
| “Record Time” | the time designated by the Transaction Companies for the determination of the Scheme Creditors’ Claims for the purposes of voting at the relevant Scheme Meeting |
| “Reserve Price” | for each Specified Asset it shall be equal to the value of such Specified Asset determined by an independent valuer as at 31 December 2022 or a later date as determined by the Joint Provisional Liquidators in consultation with the Informal Creditors’ Committee prior to the Restructuring Effective Date, less any existing debt or other liabilities on the Specified Assets as at the Restructuring Effective Date |
| “Restricted Debt” | with respect to a Participating Creditor at any time, the aggregate outstanding principal amount (or with respect to the Medium-Term Bonds, the Carrying Amount) of the relevant Existing Debt set out in the Restricted Debt Notice, subject to evidence satisfactory to the Information Agent having been provided in accordance with the Restructuring Support Agreement |
| “Restricted Debt Notice” | a notice set out in the Restructuring Support Agreement |
| “Restructuring Documents” | all documents, agreements and instruments necessary to implement the Proposed Restructuring in accordance with the Restructuring Support Agreement, including, but not limited to, each Scheme Document, the Account Holder Letter, the Scheme Notes Indentures, the Amended Medium-Term Bonds Documents and any instructions with regards to the tendering of any relevant Existing |

Debt to a Clearing System

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| "Restructuring Effective Date" | the day on which all conditions precedent to the Proposed Restructuring have been satisfied or waived (as the case may be), including the obtaining of all relevant approvals or consents |
| "Restructuring Support Agreement" | a Restructuring Support Agreement dated 29 September 2023 and entered into amongst the Transaction Companies, the Initial Participating Creditors and the Information Agent (as may be amended or supplemented from time to time) relating to the Proposed Restructuring |
| "Rich Apex" | Rich Apex Limited, a wholly owned subsidiary of the Company incorporated under the laws of Hong Kong |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Sanction Hearing" | the hearing before a Court of the application seeking the sanction of a Proposed Scheme |
| "Sanction Order" | the sealed copy of the order of a Court sanctioning a Proposed Scheme |
| "Scheme Administrators" | So Kit Yee Anita, Lau Wun Man and Joel Edwards in their capacities as scheme administrators for the Proposed Schemes |
| "Scheme Consideration" | <p>the Scheme Consideration for each Scheme Creditor holding Category 1 of the Existing Debt (the "Category 1 Scheme Creditor") will be the 2029 Scheme Notes in an aggregate principal amount equal to the Scheme Creditors' Claims of such Category 1 Scheme Creditor.</p> <p>The Scheme Consideration for each Scheme Creditor holding Category 2 of the Existing Debt (the "Category 2 Scheme Creditor") will be:</p> <p>(A) for each Scheme Creditor holding USD denominated Category 2 Existing Debt (the "USD Category 2 Scheme Creditor"), the Scheme Consideration will be the USD 2030 Scheme Notes in an aggregate principal amount equal to the Scheme Creditors' Claims of such USD Category 2 Scheme Creditor; and</p> <p>(B) for each Scheme Creditor holding HKD denominated Category 2 Existing Debt (the "HKD Category 2 Scheme Creditor"), the Scheme Consideration will be the HKD 2030 Scheme Notes in an aggregate principal amount equal to the Scheme Creditors' Claims of such HKD Category 2 Scheme Creditor.</p> <p>The Scheme Consideration for each Scheme Creditor holding Category 3 of the Existing Debt (the "Category 3 Scheme Creditor") will be the Amended Medium-Term Bonds in an</p> |

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| | aggregate Carrying Amount equal to the Scheme Creditors' Claims of such Category 3 Scheme Creditor |
| "Scheme Creditors" | creditors of the relevant Transaction Company whose claims against, among others, the relevant Obligors are (or will be) the subject of the relevant Proposed Scheme other than the Excluded Creditors |
| "Scheme Creditors' Claims" | has the meaning given to it in the section headed "Scheme Creditors Claims" in this announcement |
| "Scheme Creditors' Committee" | the Informal Creditors' Committee shall become the Scheme Creditors' Committee on and from the Restructuring Effective Date and any committee member shall remain in the Scheme Creditors' Committee for as long as any such committee member continues to hold any Scheme Notes and/or Amended Medium-Term Bonds, as the case may be. In the event that no committee member continues to hold any Scheme Notes or Amended Medium-Term Bonds, all rights and powers of the Scheme Creditors' Committee shall be vested in the Scheme Administrators |
| "Scheme Documents" | the composite documents to be circulated by the relevant Transaction Company to the holders of the relevant Existing Debt in relation to the Proposed Schemes, which will include (among other things) an explanatory statement (including if appropriate a steps plan with implementation steps to consummate or implement the Proposed Restructuring) and the terms of the Proposed Schemes |
| "Scheme Effective Date" | the date on which the Sanction Order is filed with the registrar of companies in the relevant jurisdiction of the relevant Proposed Scheme at which time such Proposed Scheme shall become effective in accordance with its terms |
| "Scheme Meeting" | the meeting(s) of the Scheme Creditors whose claims against, among others, the relevant Obligors are (or will be) the subject of the Scheme to vote on that Scheme convened pursuant to an order of a Court (and any adjournment of that such meeting(s)) |
| "Scheme Notes" | the 2029 Scheme Notes and the 2030 Scheme Notes |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| "SGX" | the Singapore Exchange Securities Trading Limited |
| "Share(s)" | the existing ordinary share(s) of one third Hong Kong cent each in the share capital of the Company |
| "Shareholder(s)" | the holder(s) of the Share(s) |
| "Skyfame International" | Skyfame International Holdings Limited, a wholly owned subsidiary of the Company incorporated with limited liability under |

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| | the laws of the British Virgin Islands |
| “Specified Assets” | a total of eight specified assets of the Group and each a Specified Asset |
| “Specified Assets Disposal” | the disposal of Specified Assets |
| “SPV” | a special purpose vehicle that will (i) be incorporated in the British Virgin Islands or such other jurisdiction as may be determined by the Joint Provisional Liquidators and the Company, (ii) be wholly owned by all Holders electing the SPV Debt-to-Equity Swap and (iii) have contractual rights to receive up to 70% of the net proceeds from the SPV Specified Assets |
| “SPV Specified Assets” | any Specified Asset without a successful bidder under the Specified Assets Disposal, which will become subject to SPV Debt-to-Equity Swap |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| “Super Majority Participating Creditors” | at any time, Participating Creditors who hold (beneficially, or with respect to the Loan and Trade Debt, legally, as principal) an aggregate outstanding principal amount (or with respect to the Medium-Term Bonds, the Carrying Amount) of more than 75% of the outstanding principal amount (or with respect to the Medium-Term Bonds, the Carrying Amount) of the Restricted Debt held in aggregate by all Participating Creditors, at that time |
| "Term Sheet" | the Term Sheet as annexed to the Restructuring Support Agreement |
| “Trade Debts” | certain USD denominated and HKD denominated non-recurring trade payables |
| “Transaction Companies” | the Company, Skyfame International Holdings Limited, Rich Apex Limited and Waymax Investments Limited (each, a “ Transaction Company ”) |
| “Transaction Website” | https://www.dfkingltd.com/Skyfame |
| “Unsecured Portion” | has the meaning given to it in the section headed “Existing Debt” in this announcement |
| "Waymax" | Waymax Investments Limited, a wholly owned subsidiary of the Company incorporated with limited liability under the laws of Hong Kong |
| “2022 Notes” | has the meaning given to it in the section headed “Term Sheet” in this announcement |
| “2023 HKD Bonds” | has the meaning given to it in the section headed “Term Sheet” in this announcement |

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| “2023 HKD Bonds Instrument” | the bonds instrument dated 13 May 2020 entered into by the Company |
| “2023 Notes” | has the meaning given to it in the section headed “Term Sheet” in this announcement |
| “2023 USD Bonds” | has the meaning given to it in the section headed “Term Sheet” in this announcement |
| “2023 USD Bonds Documents” | bonds instrument dated 10 December 2021 entered into by Rich Apex, the Deed of Guarantee dated 20 January 2022 entered into by the Company as guarantor and Trillion Thrive Limited as subscriber |
| “2029 Scheme Notes” | the senior notes due 2029 to be issued pursuant to the Proposed Schemes |
| “2029 Scheme Notes Indenture” | any indenture governing the 2029 Scheme Notes |
| “2030 Scheme Notes” | the USD denominated senior notes due 2030 to be issued pursuant to the Proposed Schemes and the HKD dominated senior notes due 2030 to be issued pursuant to the Proposed Schemes |
| “2030 Scheme Notes Indenture” | any indenture governing the 2030 Scheme Notes |
| "%" | per cent |

By order of the Board
Skyfame Realty (Holdings) Limited
(Provisional Liquidators Appointed)
(For Restructuring Purposes)
Yu Pan
Chairman

Hong Kong, 29 September 2023

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. YU Pan (Chairman) and Mr. JIN Zhifeng (Chief Executive Officer); one non-executive Director, namely Ms. WANG Kailing; and three independent non-executive Directors, namely Mr. WEN Xiaojing, Mr. CUI Yuan and Ms. TANG Yu.