

## IMPORTANT ANNOUNCEMENT TO THE BONDHOLDERS OF THE

**US\$400,000,000 6.125% Bonds due 2019 issued by  
China Energy Reserve and Chemicals Group International Company Limited (the  
"Issuer") with the benefit of a keepwell deed and a deed of equity interest purchase and  
investment undertaking provided by China Energy Reserve and Chemicals Group  
Company Limited (中國國儲能源化工集團股份公司) (the "Keepwell Provider")  
(ISIN: XS1328315723 Common Code: 132831572)  
(the "Bonds")**

### 1. DEFINITIONS AND INTRODUCTION

- 1.1 This announcement is made by the Issuer and the Keepwell Provider.
- 1.2 In this announcement, "**Bondholders**" means the holders of the Bonds.

### 2. PUBLICATION OF UPDATED RESTRUCTURING PROPOSAL

- 2.1 Reference is made to the announcement dated 29 October 2019 informing Bondholders about the expected timing of the publication of an updated restructuring proposal (the "**Updated Restructuring Proposal**") further to the proposal originally released by the Keepwell Provider on 17 August 2018. The Keepwell Provider further informs Bondholders that the Updated Restructuring Proposal has now been finalised and is available for Bondholders to review.
- 2.2 Bondholders who have previously identified themselves to D.F. King Limited (the "**Identification Agent**") and have provided proof of holdings may access the Updated Restructuring Proposal at the information website (<https://sites.dfkingltd.com/cercqdocs/Home/>) and using the login details previously provided to them by the Identification Agent. Bondholders who have not identified themselves to the Identification Agent are asked to do so together with their proof of holdings to the Identification Agent using the contact details below.
- 2.3 Parties who have not completed the bondholder identification process or otherwise satisfied any requirements under the documentation for the relevant Bonds for access thereto will not be able to access the Updated Restructuring Proposal or other information in relation to the ongoing restructuring.

#### **Identification Agent**

In Hong Kong  
+852 3953 7231

Email: [cercq@dfkingltd.com](mailto:cercq@dfkingltd.com)

In London  
+44 20 7920 9700

- 2.4 The Issuer and the Keepwell Provider remain committed to taking a collaborative and constructive approach with all Bondholders to facilitate a consensual restructuring of their debt.
- 2.5 Bondholders are invited to submit feedback on the Updated Restructuring Proposal to our financial advisor, FTI Consulting at: [cercq@fticonsulting.com](mailto:cercq@fticonsulting.com), or our legal advisor, Ashurst at: [cercq@ashurst.com](mailto:cercq@ashurst.com), by 22 November 2019.

### 3. ENFORCEMENT ACTION IN RELATION TO 2021 BONDS

- 3.1 Reference is made to (i) the announcement dated 31 May 2019 informing Bondholders of a demand and acceleration notice received from Bank of Communications Trustee Limited (the "**Trustee**") declaring the US\$400,000,000 5.55% guaranteed bonds due 2021 (the "**2021 Bonds**") to be immediately due and payable at their principal amount together with accrued interest (the "**Acceleration Notice**") and (ii) the notice dated 14 October 2019 from the Trustee to Bondholders in relation to certain legal proceedings (the

"Proceedings") the Trustee has taken in the Fourth Intermediate People's Court of Beijing against the Keepwell Provider in respect of the 2021 Bonds.

3.2 The Proceedings are ongoing and the Company intends to defend its legal position in the Proceedings.

#### 4. **COUPON PAYMENTS**

4.1 The Issuer and the Keepwell Provider propose that all interest payments on the outstanding Bonds continue to be suspended pending further notice.

By Order of the Boards of

**China Energy Reserve and Chemicals Group International Company Limited**  
**China Energy Reserve and Chemicals Group Company Limited**

8 November 2019

**THIS ANNOUNCEMENT IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF BONDHOLDERS. IF BONDHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE, INCLUDING AS TO ANY TAX CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL OR LEGAL ADVISOR.**

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