

## LISTING PARTICULARS

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**  
(an exempted company incorporated with limited liability under the laws of the Cayman Islands with company number 183222)

**U.S.\$500,000,000 5.5% Senior Secured Notes due 2031**

**U.S.\$143,000,000 Zero Coupon Mandatory Convertible Bonds due 2028**

**U.S.\$1,600,000,000 Senior Perpetual Capital Securities**

**20 March 2024**

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These Listing Particulars (these “**Listing Particulars**”) to the Explanatory Statement dated 7 November 2023, as supplemented, by the supplement to the Explanatory Statement dated 24 November 2023 (together, the “**Explanatory Statement**”) constitutes a supplement to the Explanatory Statement and is prepared in connection with the following new debt securities to issued by **China Aoyuan Group Limited (中國奧園集團股份有限公司)** (the “**Issuer**”):

- 1) U.S.\$500,000,000 5.5% Senior Secured Notes due 2031 (the “**Aoyuan New Notes**”);
  - 2) U.S.\$143,000,000 Zero Coupon Mandatory Convertible Bonds due 2028 (the “**Aoyuan MCB**”); and
  - 3) U.S.\$1,600,000,000 Senior Perpetual Capital Securities (the “**Aoyuan Perpetuals**”),
- (together, the “**New Securities**”).

Terms defined in the Explanatory Statement have the same meaning when used in the Listing Particulars.

The Listing Particulars is supplemental to and should be read in conjunction with the Explanatory Statement and any further supplements to the Explanatory Statement prepared for the Issuer.

The purpose of the Listing Particulars is to supplement the Explanatory Statement for the purpose of the listing and quotation of the New Securities on the Official List of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and to provide for certain information relating to the maximum principal of the New Securities, after taking into account the maximum amount of PIK Interest that may be paid out as provided in the Indenture of the Aoyuan New Notes .

To the extent that there is any inconsistency between:

- (a) any statement in the Listing Particulars or any statement incorporated by reference into the Explanatory Statement by the Listing Particulars; and
- (b) any other statement in or incorporated by reference in the Explanatory Statement,

the statements in (a) above will prevail.

Save as disclosed in the Listing Particulars, no other significant new factor, material mistake or inaccuracy relating to information included in the Explanatory Statement has arisen or been noted, as the case may be, since the publication of the Explanatory Statement.

If documents which are attached to the Listing Particulars themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Listing Particulars except where such information or other documents are specifically incorporated by reference or attached to the Listing Particulars.

## SUPPLEMENTAL INFORMATION

### Financial statements

The audited consolidated financial statements of the China Aoyuan Group for the year ended 31 December 2022, which are deemed to be incorporated by reference in, and are to form part of, the Explanatory Statement, are available without charge on the Company's website (<https://en.aoyuan.com.cn>) and the website of the HKEX ([https://www.hkex.com.hk/?sc\\_lang=en](https://www.hkex.com.hk/?sc_lang=en)) and are intended to be made available on the Transaction Website.

### PIK Interest with respect to the Aoyuan New Notes

The maximum amount of PIK Interest that may be issued pursuant to Article 2 Section 2.04(b) of the Indenture for the Aoyuan New Notes is up to U.S.\$275,000,000 (the “**Maximum PIK Interest**”).<sup>1</sup>

The maximum principal amount of the Aoyuan New Notes, after taking into account the Maximum PIK Interest, is up to U.S.\$775,000,000.

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<sup>1</sup> This figure has been calculated on the basis that the Issuer elects to pay PIK Interest to the fullest extent permitted by the terms of the Aoyuan New Notes and does not give any effect to any mandatory redemption or optional redemption of the Aoyuan New Notes pursuant to the terms thereof.

## **ANNEX A – EXPLANATORY STATEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This document comprises an explanatory statement in relation to a scheme of arrangement proposed by China Aoyuan Group Limited (中國奧園集團股份有限公司) pursuant to sections 670, 673 and 674 of the Hong Kong Companies Ordinance and a scheme of arrangement proposed by China Aoyuan Group Limited (中國奧園集團股份有限公司) pursuant to section 86 of the Cayman Companies Act. Unless otherwise indicated, all capitalised terms used in this Explanatory Statement shall have the meanings given to those terms in Appendix 1 (*Definitions and Interpretation*).

This Explanatory Statement is being made available to persons who are believed to be, or may be, Scheme Creditors at the date of this Explanatory Statement. If you have assigned, sold or otherwise transferred, or assign, sell or otherwise transfer, your interests in the Existing Notes and/or Existing Loans, you must forward this Explanatory Statement and the accompanying documents to the person or persons to whom you have assigned, sold or otherwise transferred your interests in the Existing Notes and/or Existing Loans at once. A transferee of an economic or beneficial interest in the Existing Notes and/or Existing Loans after the Record Date will not be entitled to vote at the Scheme Meeting.

This Explanatory Statement has been made available to you in electronic form. You are advised that documents transmitted in electronic form may be altered or changed during the process of transmission and consequently neither the Company, any other member of the China Aoyuan Group, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees, accept any liability or responsibility whatsoever in respect of any difference between this Explanatory Statement distributed to you in electronic form and the version available to you for inspection on the Transaction Website.

**WARNING** – The contents of this Explanatory Statement have not been reviewed by any regulatory authority in the BVI, Cayman Islands, Hong Kong, Singapore, the United States or in any other jurisdiction. No regulatory authority has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Explanatory Statement. Any representation to the contrary is a criminal offence. You are strongly encouraged to exercise caution in relation to any offer pursuant to the China Aoyuan Schemes set out in this Explanatory Statement. If you are in any doubt as to the contents of this Explanatory Statement or the documents that accompany it or what action you should take, you are recommended to seek your own independent financial, legal and/or tax advice from your financial, legal and/or tax adviser immediately.

This Explanatory Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities. None of the securities referred to in this Explanatory Statement may be sold, issued or transferred in any jurisdiction in contravention of applicable law. This Explanatory Statement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is not authorized. Failure to comply with this directive may result in a violation of the U.S. Securities Act or the applicable laws of other jurisdictions. The securities proposed to be issued or transferred pursuant to the China Aoyuan Schemes have not been, and will not be registered with the SEC under the U.S. Securities Act, or the securities law of any state or other jurisdiction, and are being transferred and delivered in reliance upon certain exemptions from the registration requirements of the U.S. Securities Act. The securities proposed to be issued or transferred pursuant to the China Aoyuan Schemes will be issued and delivered only: (i) in the United States to institutional "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act; and (ii) outside the United States to non-U.S. persons in offshore transactions, in reliance on Regulation S under the U.S. Securities Act.

Application will be made for the listing and quotation of the Aoyuan New Securities on the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Approval in-principle for admission to the official list of and the listing and quotation of the Aoyuan



New Securities on the SGX-ST is not to be taken as an indication of the merits of the Aoyuan New Securities, the Company, any guarantees, any guarantors, their respective subsidiaries (if any), their respective associated companies (if any) or their respective joint venture companies (if any). For so long as the Aoyuan New Securities are listed on the SGX-ST and the rules of the SGX-ST so require, such Aoyuan New Securities will be traded on the SGX-ST in a minimum board lot size of at least SGD200,000 (or its equivalent in foreign currencies). To the extent that the Company is required to disclose additional information solely for the purposes of the application to list Aoyuan New Securities on the SGX-ST, such information will be made available to Scheme Creditors on the Transaction Website.

For so long as any Aoyuan New Securities are listed on the SGX-ST and the rules of the SGX-ST so require, the Company shall appoint and maintain a paying agent in Singapore, where the Aoyuan New Securities may be presented or surrendered for payment or redemption, in the event that a global note is exchanged for certificated notes. In addition, in the event that a global note is exchanged for certificated notes, an announcement of such exchange will be made by the Company through the SGX-ST and such announcement will include all material information with respect to the delivery of the certificated notes, including details of the paying agent in Singapore.

**Singapore SFA Product Classification** – In connection with section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA), that the Aoyuan Instruments are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

This Explanatory Statement is accompanied by, amongst others, the Solicitation Packet, as set out at Appendix 5 (*Solicitation Packet*), which is also available on the Transaction Website for Scheme Creditors to download.

The Solicitation Packet contains: (i) the Account Holder Letter (which also encloses the Designated Recipient Form and the Distribution Confirmation Deed) for completion by Existing Noteholders (who are not Sanctions-Affected Scheme Creditors); (ii) the Lender Proxy Form (which also encloses the Designated Recipient Form and the Distribution Confirmation Deed) for completion by Existing Lenders (who are not Sanctions-Affected Scheme Creditors); (iii) the Blocked Scheme Creditor Form for completion by Blocked Scheme Creditors; and (iv) instructions and guidance for Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) and Blocked Scheme Creditors and any person with an interest in the Existing Notes and/or the Existing Loans as to how to complete those documents.

Further important information is set out under sections 2 (*Important Notices to Scheme Creditors*) and 3 (*Important Securities Law Notices*).

Queries in relation to this Explanatory Statement or the completion of the Account Holder Letter and Lender Proxy Form should be directed to the Information Agent as follows:

**Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website: <https://projects.morrowsodali.com/Aoyuan>

Scheme Portal: <https://portal.morrowsodali.com/aoyuanscheme>

Queries in relation to the completion of the Blocked Scheme Creditor Form should be directed to the Blocked Scheme Creditor Tabulation Agent as follows:

**Madison Pacific Corporate Services Ltd.**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

7 November 2023

**EXPLANATORY STATEMENT AS SUPPLEMENTED BY THE SUPPLEMENT TO THE  
EXPLANATORY STATEMENT IN RELATION TO A SCHEME OF ARRANGEMENT**

**BETWEEN**

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**  
(an exempted company incorporated with limited liability under the laws of the Cayman Islands with company number 183222)

**AND**

**THE SCHEME CREDITORS**  
(as defined in this Explanatory Statement)

**IN THE HIGH COURT OF  
THE HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS NO. 1696 OF 2023**

**IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION  
FSD CAUSE NO. 284 OF 2023 (DDJ)**

**Originally dated 7 November 2023, as supplemented by the supplement to the Explanatory Statement dated 24 November 2023**

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**Reference Date:** being 30 September 2023

**Custody Instruction Deadline:** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 4 a.m. Cayman Islands time on 15 November 2023.

**Voting Instruction Deadline:** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023.

**Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.

The Cayman Scheme Meeting and the HK Scheme Meeting of the China Aoyuan Schemes (collectively, the "**Scheme Meeting**") will be held together at the offices of Linklaters at 11th Floor Alexandra House, Chater Road, Hong Kong ("**Linklaters Hong Kong Office**"), at **8 p.m. Hong Kong time on 28 November 2023, the equivalent being 7 a.m. Cayman Islands time on 28 November 2023** with a live video conference linked to the offices of Harney Westwood & Riegels, LP at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman Box 10240, KY1-1002 Cayman Islands ("**Harneys Cayman Office**") at **7 a.m. Cayman Islands time on 28 November 2023**. Registration at the Scheme Meeting will commence at **6 p.m. Hong Kong time on 28 November 2023, the equivalent being 5 a.m. Cayman Islands time on 28 November 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case, any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid contact details).

A formal notice convening the Scheme Meeting is set out in Appendix 4 (*Notice of Scheme Meeting*).

The **China Aoyuan HK Scheme Sanction Hearing** before the HK Court to determine whether or not the HK Court will sanction the China Aoyuan HK Scheme is currently expected to take place at 10 a.m. Hong Kong time on 8 and 9 January 2024, the equivalent being 9 p.m. Cayman Islands time on 7 and 8 January 2024.

The **China Aoyuan Cayman Scheme Sanction Hearing** before the Cayman Court to determine whether or not the Cayman Court will sanction the China Aoyuan Cayman Scheme is currently expected to take place at 11 p.m. Hong Kong time on 7 December 2023, the equivalent being 10 a.m. Cayman Islands time on 7 December 2023.

Scheme Creditors will have the right to attend and be heard at the China Aoyuan HK Scheme Sanction Hearing and China Aoyuan Cayman Scheme Sanction Hearing.

**Instructions about actions to be taken by the Scheme Creditors** before the Scheme Meeting are set out in section 9 (*Scheme Creditors and actions to be taken*) of, along with Appendix 5 (*Solicitation Packet*) to, this Explanatory Statement (which contains the Account Holder Letter and Lender Proxy Form (in respect of Scheme Creditors who are not Sanctions-Affected Scheme Creditors) and the Blocked Scheme Creditor Form (in respect of Blocked Scheme Creditors)).

**NOTE:** For the avoidance of doubt, references to "Scheme Creditors" above shall exclude Sanctioned Scheme Creditors. If you are a Sanctioned Scheme Creditor, please notify the Company immediately in writing of your status in accordance with clause 5.5 (*Sanctioned Scheme Creditors*) of the China Aoyuan Schemes.

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1. **EXPECTED TIMETABLE OF PRINCIPAL EVENTS IN RELATION TO THE CHINA AOYUAN SCHEMES<sup>1</sup>**

Event	Expected date	Cayman Islands time	Hong Kong time
<b>Reference Date<sup>2</sup></b>	30 September 2023		
<b>Custody Instruction Deadline<sup>3</sup></b>	15 November 2023	4 a.m.	5 p.m.
<b>Voting Instruction Deadline<sup>4</sup></b>	20 November 2023	4 a.m.	5 p.m.
<b>Record Date<sup>5</sup></b>	Following the close of business and cessation of trading of the Clearing Systems on 20 November 2023		
<b>Scheme Meeting<sup>6</sup></b>	28 November 2023	7 a.m.	8 p.m.
<b>China Aoyuan HK Scheme Sanction Hearing<sup>7</sup></b>	8 and 9 January 2024 (Hong Kong) 7 and 8 January 2024 (Cayman Islands)	9 p.m.	10 a.m.
<b>China Aoyuan Cayman Scheme Sanction Hearing<sup>8</sup></b>	7 December 2023	10 a.m.	11 p.m.
<b>Scheme Effective Date</b>	The date which falls on the later of: (a) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies		

<sup>1</sup> The dates in this timetable and those mentioned throughout this Explanatory Statement assume that none of the China Aoyuan HK Scheme Sanction Hearing, China Aoyuan Cayman Scheme Sanction Hearing or the Scheme Meeting is adjourned or delayed, and that no person opposes the China Aoyuan Schemes, thereby causing the grant of either the China Aoyuan HK Scheme Sanction Order or China Aoyuan Cayman Scheme Sanction Order to be delayed. If there is any change to the dates or times listed in this timetable, the revised date and/or time will be announced as soon as practicable when it is known to the Company.

<sup>2</sup> All Scheme Claims are determined by reference to the sum of: (a) the outstanding principal amount of Scheme Claims in which the relevant Scheme Creditor held the legal or beneficial interest as at the Record Date, and (b) all accrued and unpaid interest relating to such Scheme Claims up to (and including) the Reference Date. The Company will be entitled to exercise discretion as to whether it recognises any assignment or transfer of Scheme Claims after the Record Date.

<sup>3</sup> For Existing Noteholders (who are not Sanctions-Affected Scheme Creditors), the Custody Instruction Deadline is the latest date and time for delivery of Custody Instructions to the relevant Clearing System for blocking the Existing Notes for an Existing Noteholder to be eligible to vote at the Scheme Meeting and/or receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

<sup>4</sup> The Voting Instruction Deadline is the latest date and time for delivery of a validly completed Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable), to vote at the Scheme Meeting and delivery of validly completed documentation necessary to receive or be allocated your Scheme Consideration Entitlement on the Restructuring Effective Date. Please refer to section 9 (*Scheme Creditors and actions to be taken*) of, along with Appendix 5 (*Solicitation Packet*) to, this Explanatory Statement for more details.

<sup>5</sup> See footnote 2.

<sup>6</sup> The Scheme Meeting will commence at the time stated.

<sup>7</sup> The date of the China Aoyuan HK Scheme Sanction Hearing will depend on the HK Court's availability. If this date changes, the dates of all subsequent steps, including the Scheme Effective Date and the expected Restructuring Effective Date, may be affected. Notice will be provided to all Scheme Creditors if the date of the China Aoyuan HK Scheme Sanction Hearing changes.

<sup>8</sup> The date of the China Aoyuan Cayman Scheme Sanction Hearing will depend on the Cayman Court's availability. If this date changes, the dates of all subsequent steps, including the Scheme Effective Date and the expected Restructuring Effective Date, may be affected. Notice will be provided to all Scheme Creditors if the date of the China Aoyuan Cayman Scheme Sanction Hearing changes.

Event	Expected date	Cayman Islands time	Hong Kong time
	for registration in respect of the China Aoyuan Cayman Scheme; and (b) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme		
<b>Restructuring Effective Date<sup>9</sup></b>	The date to be specified by the Company in the Completion Notice provided to Scheme Creditors pursuant to the terms of the China Aoyuan Schemes		
<b>Longstop Date<sup>10</sup></b>	The date falling the earlier of (i) 60 calendar days after the Final Scheme Effective Date (i.e. the date falling later of the Scheme Effective Date and the Add Hero Scheme Effective Date); and (ii) 31 March 2024, or such later date as may be extended pursuant to the Schemes		
<b>Bar Time<sup>11</sup></b>	The date falling 15 Business Days before the Holding Period Expiry Date	4 a.m.	5 p.m.
<b>Holding Period Expiry Date<sup>12</sup></b>	The date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing		

**The dates provided above are based on current expectations and may be subject to change. If any of the expected dates change, adequate notice of the change will be given to the Scheme Creditors.**

**For Existing Noteholders (who are not Sanctions-Affected Scheme Creditors), as regards the Custody Instruction Deadline and the Voting Instruction Deadline, please note that the Clearing System in which you hold your Existing Notes (or your Account Holder) may impose an earlier deadline for the submission of the relevant blocking instructions and/or Account Holder Letter. To ensure timely submission of your relevant blocking instructions and Account Holder Letter, please ask your Account Holder to check with the Clearing System as to whether any earlier deadline is applicable and ensure that your relevant blocking instructions and/or Account Holder Letter are received before any such applicable deadline. This is particularly important if you wish to submit an Account Holder Letter by the Voting Instruction Deadline in order to vote at the Scheme Meeting and receive your Scheme Consideration Entitlement on the Restructuring Effective Date.**

<sup>9</sup> The Restructuring Effective Date is the date on which the arrangements and compromises provided for in the China Aoyuan Schemes will become effective and be implemented. This is also an estimated date and will only occur after satisfaction of all the Restructuring Conditions.

<sup>10</sup> The Longstop Date is the date by which the Restructuring Effective Date must occur. If the Restructuring Effective Date does not occur (and therefore the China Aoyuan Schemes are not implemented) on or before the Longstop Date, the China Aoyuan Schemes will terminate.

<sup>11</sup> The Bar Time is the latest time before which the validly completed documentation necessary to receive any Scheme Consideration Entitlement may be delivered. The Bar Time is an expected time and will occur at 5 p.m. Hong Kong time/4 a.m. Cayman Islands time on the date falling 15 Business Days before the Holding Period Expiry Date.

<sup>12</sup> The Holding Period Expiry Date is the latest date on which the Trust Assets may be distributed in accordance with the terms of the Holding Period Trust Deed. The Holding Period Expiry Date is an expected date and will occur on the date falling six calendar months after the Restructuring Effective Date, or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.



## 2. IMPORTANT NOTICES TO SCHEME CREDITORS

**This section 2 contains a number of important notices to Scheme Creditors. Scheme Creditors are strongly encouraged to carefully review the notices in this section 2 and, if necessary, seek and obtain independent legal, financial and/or tax advice.**

### 2.1 Defined terms

Unless the context otherwise requires, all capitalised terms used in this Explanatory Statement shall have the meanings given to them in Appendix 1 (*Definitions and Interpretation*).

### 2.2 Information

- (a) This Explanatory Statement has been prepared in connection with a scheme of arrangement under sections 670, 673 and 674 of the Hong Kong Companies Ordinance and a scheme of arrangement under section 86 of the Cayman Companies Act in relation to the China Aoyuan Schemes between the Company and the Scheme Creditors, and has been prepared solely for the purpose of providing information to Scheme Creditors in relation to the China Aoyuan Schemes.
- (b) Nothing in this Explanatory Statement or any other document issued with, appended to, or made available together with, the Explanatory Statement should be relied on for any purpose other than for Scheme Creditors, in their capacity as creditors of the Company, to make a decision whether or not to approve the China Aoyuan Schemes. In particular and without limitation, nothing in this Explanatory Statement should be relied on in connection with the purchase or acquisition of any Scheme Claim or any other financial instruments, securities, assets or liabilities of the Company or any other member of the China Aoyuan Group.
- (c) Nothing contained in this Explanatory Statement constitutes a recommendation, or the giving of advice, by the Company or any other member of the China Aoyuan Group, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent or the Blocked Scheme Creditor Tabulation Agent to take a particular course of action or to exercise any right conferred by the Existing Debt in relation to buying, selling, subscribing for, exchanging, redeeming, holding, underwriting, disposing of, or converting the Existing Debt or any other financial instruments, securities, assets, claims, property interests or liabilities of the Company or any other member of the China Aoyuan Group.

### 2.3 Financial statements

- (a) The unaudited consolidated financial statements of the China Aoyuan Group for the six-month period ended 30 June 2023 are set out in Appendix 14 (*Financial Statements*) and are intended to be made available on the Transaction Website.
- (b) The audited consolidated financial statements of the China Aoyuan Group for the year ended 31 December 2022 are available without charge on the Company's website (<https://en.aoyuan.com.cn>) and the website of the HKEX ([https://www.hkex.com.hk/?sc\\_lang=en](https://www.hkex.com.hk/?sc_lang=en)) and are intended to be made available on the Transaction Website.
- (c) As at the date of this Explanatory Statement, the China Aoyuan Group's most recent accounts are unaudited consolidated financial statements of the China Aoyuan Group for the six-month period ended 30 June 2023 appended at Appendix 14 (*Financial Statements*). As at the date of this Explanatory Statement, the Company does not hold any material assets other than as disclosed in section 5.5 (*Key assets*

of the Company) and has no material liabilities other than as disclosed in section 5.6 (*Summary of the Company's principal financial indebtedness*).

## 2.4 **Scheme Creditors**

This Explanatory Statement is to be distributed to persons who are believed to be, or may be, Scheme Creditors at the date of this Explanatory Statement. Information on the actions that Scheme Creditors are required to take under the China Aoyuan Schemes is set out in section 9 (*Scheme Creditors and actions to be taken*) and at Appendix 5 (*Solicitation Packet*).

## 2.5 **Notice to Scheme Creditors**

- (a) Without prejudice to any representations and warranties to be given by the Company or any other member of the China Aoyuan Group in the Restructuring Documents, nothing contained in this Explanatory Statement shall constitute a warranty, undertaking or guarantee of any kind, express or implied, nor any admission of any fact or liability on the part of the Company or any other member of the China Aoyuan Group with respect to any asset to which it may be entitled or any claim against it. Without prejudice to the generality of the foregoing, nothing in this Explanatory Statement or the distribution thereof evidences to any person, or constitutes any admission by the Company or any other member of the China Aoyuan Group, that a liability is owed to any person in respect of any claim (including, without limitation, any Scheme Claim) or that any person is or may be a Scheme Creditor. The failure to distribute this Explanatory Statement to any Scheme Creditor shall not constitute an admission or determination by the Company or any other member of the China Aoyuan Group that such person is not a Scheme Creditor.
- (b) No person has been authorised by the Company to give any information or make any representations concerning the Restructuring Documents or the China Aoyuan Schemes which is inconsistent with this Explanatory Statement and, if made, such representations shall not be relied upon as having been so authorised.
- (c) The information contained in this Explanatory Statement has been prepared based upon information available to the Company prior to the date of this Explanatory Statement. The delivery of this Explanatory Statement does not imply that the information herein is correct as at any time subsequent to the date hereof. To the best of the Company's knowledge, information and belief, the information contained in this Explanatory Statement is in accordance with the facts known to the Company prior to the date of this Explanatory Statement and does not omit anything likely to affect the import of such information, in any material respect. The Company has taken all reasonable steps to ensure that this Explanatory Statement contains the information reasonably necessary and material to enable Scheme Creditors to make an informed decision about how the Restructuring and the China Aoyuan Schemes affect them.
- (d) None of the Company's advisers, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their respective directors, officers, employees, agents, affiliates or advisers have verified the information contained in this Explanatory Statement, and each of those persons expressly disclaims responsibility for such information.
- (e) This Explanatory Statement has not been reviewed, verified or approved by any rating agency or any regulatory authority. Without prejudice to any representations and warranties to be given by the Company or any other member of the China Aoyuan Group in the Restructuring Documents, to the fullest extent permitted by law, none of the Existing Debt Administrative Parties, the Aoyuan New Securities

Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their respective directors, officers, employees, agents, affiliates, or any of their respective directors, officers, employees, agents, affiliates or advisers will have any tortious, contractual or any other liability to any person in connection with the use of this Explanatory Statement and none of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective directors, officers, employees, agents, affiliates or advisers will accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from any use of this Explanatory Statement, its contents or otherwise in connection with it.

- (f) The Scheme Administrators, the Chairperson, the Information Agent and Blocked Scheme Creditor Tabulation Agent are each an agent of the Company and each owes no obligation towards or relationship of agency or trust with any third party or any other party (including, without limitation, the Scheme Creditors) in respect of the performance of their respective duties as Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable). The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent shall be obligated to perform such duties and only such duties as are specifically set forth in the China Aoyuan Schemes, this Explanatory Statement and the Solicitation Packet. No implied duties or obligation shall be read into the aforesaid documents against the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent. The Information Agent and the Blocked Scheme Creditor Tabulation Agent shall not be under any duty to inquire into or investigate the validity, accuracy or content of any instruction from the Company or Scheme Creditors and may rely conclusively thereon.
- (g) Neither the Existing Debt Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is acting for, or owes any duty to, any Existing Noteholder or any Existing Lender, nor will any of them be responsible for providing any advice to any Existing Noteholder or any Existing Lender in relation to the China Aoyuan Schemes and the terms of the Aoyuan Instruments. Accordingly, neither the Existing Debt Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective directors, officers, employees, agents, affiliates or advisers make any recommendations as to whether any Existing Noteholder or any Existing Lender should take any of the actions contemplated in the China Aoyuan Schemes. The Existing Debt Administrative Parties, the Scheme Administrators, the Information Agent and the Blocked Scheme Creditor Tabulation Agent express no opinion on the merits of the China Aoyuan Schemes and the terms of the Aoyuan Instruments. The Existing Debt Administrative Parties, the Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent have not been involved in negotiating or determining the terms of the Aoyuan Instruments and make no representation that all relevant information has been disclosed to the Existing Noteholders and the Existing Lenders. Neither the Existing Debt Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of its directors, officers, employees, agents, affiliates or advisers has verified, determined or calculated, or assumes any responsibility or liability for the accuracy or completeness of any of the information concerning the China Aoyuan Schemes, or any factual statements contained in, or the effect or effectiveness of, the China Aoyuan Schemes.
- (h) Neither the Existing Debt Administrative Parties, the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent

nor any of their directors, officers, employees, agents, affiliates or advisers will have any tortious, contractual or any other liability to any person in connection with the determination of whether a Scheme Creditor is a Blocked Scheme Creditor or a Sanctioned Scheme Creditor. Neither the Existing Debt Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers will accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from the determination of whether a Scheme Creditor is a Blocked Scheme Creditor or a Sanctioned Scheme Creditor, even if the Information Agent or any of its directors, officers, employees, agents, affiliates or advisers have been advised of the possibility of such damages.

- (i) Notwithstanding anything to the contrary and under no circumstances will the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent be liable for any special, punitive, indirect or consequential loss or damage (including, without limitation, for any loss of business, goodwill, opportunity or profit) of any kind whatsoever, in each case howsoever caused or arising, directly or indirectly, and whether or not foreseeable, even if it is actually aware or has been advised of the possibility of such loss or damage and regardless of the form of action. This protection shall survive the resignation or removal of the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent.
- (j) Neither the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is obliged, under the terms of the China Aoyuan Schemes or otherwise, to engage in any transaction or conduct that may give rise to a liability under or in connection with Applicable Sanctions and/or may result in any person becoming targeted by Applicable Sanctions. If compliance with any obligations under the terms of the Schemes or otherwise would result in the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their directors, officers, employees, agents, affiliates or advisers breaching the Blocking Regulation, that obligation need not be complied with (but only to the extent of the breach).
- (k) The Existing Debt Administrative Parties shall not be responsible for calculating, verifying or paying any amounts payable in relation to the China Aoyuan Schemes or any late interest payable (i.e. the interest unpaid at maturity and the interest payable thereafter). The Existing Debt Administrative Parties shall not be required to take any steps to ascertain whether an Existing Noteholder or an Existing Lender is eligible to receive any RSA Fees under the Restructuring Support Agreement.
- (l) The Existing Debt Administrative Parties and the Information Agent shall not be responsible for monitoring the China Aoyuan Schemes and shall not be required to take any steps to monitor or ascertain whether any event that triggers the termination of the Restructuring Support Agreement has occurred and will not be responsible to the Existing Noteholders, the Existing Lenders or any other person for any loss arising from any failure to do so.
- (m) None of the members of the Ad Hoc Group nor their advisers have authorised the content of this Explanatory Statement or any part of it, nor do they accept any responsibility for the accuracy, completeness or reasonableness of the statements contained within it.
- (n) None of the members of the CoCom nor their advisers have authorised the content of this Explanatory Statement or any part of it, nor do they accept any responsibility for the accuracy, completeness or reasonableness of the statements contained within it.

## 2.6 Restrictions

The distribution of this Explanatory Statement to or in certain jurisdictions may be restricted by law or regulation and persons into whose possession this Explanatory Statement comes are requested to inform themselves about, and to observe, any such restrictions. Failure to comply with any such restrictions could result in a violation of the laws of such jurisdictions.

## 2.7 Summary only

The summary of the principal provisions of the China Aoyuan Schemes contained in this Explanatory Statement is qualified in its entirety by reference to the China Aoyuan Schemes. The full texts of the China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme is set out in Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*), respectively (subject to any modification, addition or condition which the HK Court and/or Cayman Court may think fit to approve or impose, as appropriate. Each Scheme Creditor is strongly encouraged to read and consider carefully the text of the China Aoyuan Schemes. This Explanatory Statement has been prepared solely to assist Scheme Creditors in respect of voting on the China Aoyuan Schemes.

## 2.8 Conflicts

- (a) In the event of a conflict between the information and terms described in:
  - (i) this Explanatory Statement; and
  - (ii) the China Aoyuan Schemes,the terms of the China Aoyuan Schemes shall prevail.
- (b) Subject to the terms of the Restructuring Support Agreement and the China Aoyuan Schemes, the Company shall be at liberty to propose any modification to the form of the China Aoyuan Schemes set out in Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*) for the approval or imposition of the HK Court or Cayman Court (as applicable), as appropriate, or to propose a different scheme of arrangement or different schemes of arrangement, at any time prior to (i) the sanction of the China Aoyuan HK Scheme and the filing of the China Aoyuan HK Scheme Sanction Order with the Hong Kong Companies Registry, and (ii) the sanction of the China Aoyuan Cayman Scheme and the filing of the China Aoyuan Cayman Scheme Sanction Order with the Cayman Registrar of Companies, whichever is earlier. The Company shall enjoy such liberty notwithstanding any action in reliance on the China Aoyuan Schemes or this Explanatory Statement by a Scheme Creditor or any other person, provided that such modification does not materially affect a Scheme Creditor's rights. The HK Court and/or Cayman Court may also impose modifications, additions or conditions on the China Aoyuan Schemes.

## 2.9 Forward-looking statements

- (a) Nothing in this Explanatory Statement shall be deemed to be a forecast, projection or estimate of the future financial performance of the Company and/or any member of the China Aoyuan Group, except where otherwise specifically stated.
- (b) This Explanatory Statement contains statements, estimates, opinions and projections with respect to the Company and the China Aoyuan Group and certain plans and objectives of the Company and the China Aoyuan Group. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words of similar import. These statements

are based on numerous assumptions and assessments made by the Company, as appropriate, in light of their experience and perception of historical trends, current conditions, expected future developments and other factors which they believe appropriate. No assurance can be given that such expectations will prove to be correct. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. Such forward-looking statements only speak as at the date of this Explanatory Statement. A number of factors could cause actual performance or results to differ materially from the performance or results discussed in the forward-looking statements, including, but not limited to, the factors and uncertainties set out in section 11 (*Risk Factors*). Each Scheme Creditor is urged to make its own assessment of the validity of such forward-looking statements and their underlying assumptions and no liability is accepted by the Company or any other member of the China Aoyuan Group in respect of the achievement or failure thereof of such forward-looking statements and assumptions. Without limiting the above, none of the Company, any other member of the China Aoyuan Group, any director of the Company or any other member of the China Aoyuan Group assumes any obligation to update or correct any forward-looking statements contained in this Explanatory Statement to reflect any change of expectations with respect thereto or any change in event, situation or circumstances on which any such forward-looking statement was based.

#### 2.10 Risk factors

- (a) Scheme Creditors' attention is drawn to certain risks and uncertainties associated with the Restructuring that are set out in section 11 (*Risk Factors*).
- (b) These important risk factors could cause the Company's, and the China Aoyuan Group's, actual results and future prospects to differ materially from those expressed in this Explanatory Statement (including any forward-looking statements).
- (c) **Each Scheme Creditor should carefully read and analyse such risk factors and uncertainties, and fully understand their impact, which may be material and adverse, on the Company's and the China Aoyuan Group's financial condition and prospects. The statement of risk factors is not, and is not intended to be, an exhaustive statement of such factors or of all possible factors which might influence the decision of Scheme Creditors as regards the China Aoyuan Schemes.**

#### 2.11 Disclaimer regarding preparation of the Liquidation Analysis

- (a) Kroll is acting as an adviser to the Company in connection with the preparation of the Liquidation Analysis. At the request of the Company, Kroll has prepared a high-level Liquidation Analysis of the estimated return for Scheme Creditors in the event that the Restructuring is not completed. A copy of the Liquidation Analysis is set out at Appendix 7 (*Liquidation Analysis*).
- (b) By reviewing the Liquidation Analysis, the Scheme Creditors and any other party who gains access to the Liquidation Analysis will be deemed to have read and irrevocably acknowledged and agreed to comply with the following contents of this disclaimer.
  - (i) The Liquidation Analysis has been prepared by Kroll solely for the use of the Company for the purpose of the China Aoyuan Schemes, to provide the Company with an estimate of the recovery available to the Scheme Creditors in a hypothetical liquidation scenario. The Liquidation Analysis is disclosed in this Explanatory Statement strictly on a non-reliance basis.

Reliance on the Liquidation Analysis is limited to the Company only and does not extend to any other party, including Scheme Creditors.

- (ii) The Liquidation Analysis is based on information procured from the Company on which Kroll has not conducted any independent verification or audit. Kroll assumes no liability whatsoever and makes no representations or warranties, express or implied, in relation to the information contained in the Liquidation Analysis, including, and not limited to, its accuracy, completeness or verification insofar as this is reliant on information or explanations provided by the Company or for any other statement made or purported to be made by or on behalf of the Company.
  - (iii) The information presented in the Liquidation Analysis was prepared within a limited period and based on the information provided by the Company to Kroll. Kroll is reliant upon representations made by senior management of the Company regarding the accuracy and validity of information provided to Kroll. Where information has been provided to Kroll, Kroll has assumed that it is accurate and current. Where information has been obtained from other sources, the appropriate indication has been provided.
  - (iv) The Company and its subsidiaries operate in industries that have been and are likely to continue to be subject to fluctuations, changes in regulatory environment, economic cycles and uncertainty. Information in the Liquidation Analysis contains certain assumptions considered by Kroll as correct at the time of writing that may be proven incorrect as time goes by and circumstances change.
  - (v) Kroll, its senior managing directors and its staff shall assume no responsibility whatsoever in respect of or arising out of or in connection with the content of the Liquidation Analysis to parties other than the Company. If any other party chooses to rely in any other way on the content of the Liquidation Analysis, it should do so entirely at its own risk.
  - (vi) Kroll has identified a number of limitations to the Liquidation Analysis. A full list of these limitations can be found in the Liquidation Analysis at Appendix 7 (*Liquidation Analysis*).
- (c) Scheme Creditors are encouraged to seek independent legal advice or any other professional advice which may be required in relation to any particular queries or concerns they may have regarding the Liquidation Analysis and their expected returns in a liquidation scenario.

## 2.12 Legal, tax and financial advice

- (a) **Without limiting any of the above, Scheme Creditors should not construe the contents of this Explanatory Statement or any other document in connection with the Restructuring as legal, tax or financial advice.**
- (b) This Explanatory Statement has been prepared without taking into account the objectives, financial or tax situation or needs of any particular recipient of it, and consequently, the information contained in this Explanatory Statement may not be sufficient or appropriate for the purpose for which a recipient might use it. Each Scheme Creditor should conduct its own due diligence and consider the appropriateness of the information in this Explanatory Statement having regard to its own objectives, financial situation and needs. Scheme Creditors are also recommended to consult their own professional advisers as to legal, tax, financial or other aspects relevant to any action that Scheme Creditors might take in relation to the China Aoyuan Schemes and the Restructuring, or the implications/consequences of such action.

- (c) This Explanatory Statement is addressed to Scheme Creditors for their information only and no person should rely on it in formulating or reaching any investment decision other than for Scheme Creditors to make a decision whether or not to approve the China Aoyuan Schemes. **Scheme Creditors should rely on their own due diligence and their professional advisers in their decisions with respect to the China Aoyuan Schemes and the Restructuring.** Except as otherwise expressly stated in this Explanatory Statement, none of the Company, any member of the China Aoyuan Group, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Advisers or the Information Agent and their respective financial or legal advisers have expressed any opinion as to the merits of the China Aoyuan Schemes or with respect to the effect of the China Aoyuan Schemes.

#### 2.13 Other jurisdictions

The implications of the Restructuring for Scheme Creditors who are residents or citizens of jurisdictions other than Hong Kong and the Cayman Islands may be affected by the laws of other relevant jurisdictions. Such overseas Scheme Creditors should inform themselves about and observe any applicable legal requirements in their respective jurisdictions. Any person outside Hong Kong and the Cayman Islands who is resident in, or who has a registered address in, or is a citizen of, an overseas jurisdiction should consult independent professional advisers and satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the China Aoyuan Schemes and the Restructuring, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction.



### 3. IMPORTANT SECURITIES LAW NOTICES

**This Explanatory Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction in contravention of applicable law. None of the securities referred to in this Explanatory Statement shall be sold, issued, exchanged or transferred in any jurisdiction in contravention of applicable law.**

#### 3.1 General

- (a) The distribution of this Explanatory Statement and the offering, sale or delivery of the Aoyuan Instruments are subject to restrictions and may not be made, except pursuant to registration with, or authorisation by, the relevant securities regulatory authorities or an exemption from the relevant registration requirements. Therefore, persons who may come into possession of this Explanatory Statement or any other materials relating to the Aoyuan Instruments are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Explanatory Statement may not be used for the purpose of an offer or invitation, in any circumstances, in which such offer or invitation is not authorised.
- (b) No action has been or will be taken in any jurisdiction by the Company that will or is intended to permit a public offering, or any other offering under circumstances not permitted by applicable law, of the Aoyuan Instruments, or result in the possession or distribution of this Explanatory Statement or any other materials relating to the Aoyuan Instruments, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Explanatory Statement comes are required by the Company and the China Aoyuan Group to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Aoyuan Instruments or have in their possession, distribute or publish this Explanatory Statement or any other materials relating to the Aoyuan Instruments, in all cases, at their own expense.
- (c) In order for Scheme Creditors to receive their Scheme Consideration Entitlement, each Scheme Creditor (or its Designated Recipient, if any) will be required to complete the Distribution Confirmation Deed, which includes certain securities law confirmations and undertakings. Scheme Creditors are strongly advised to consult their professional advisers in respect of the contents of such securities law confirmations and undertakings in the Distribution Confirmation Deed. The Company reserves the right to take whatever steps it deems necessary to verify any question of fact that may impact on the accuracy of any securities law representations and undertakings made in the Distribution Confirmation Deed. The determination as to whether any such representation or undertaking has been appropriately given will be made by the Company.

**This Explanatory Statement is not for general release, publication or distribution in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.**

#### 3.2 U.S. securities law considerations

- (a) The Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act with the SEC or any state securities laws or any securities regulatory authority of any state or other jurisdiction of the United States.
- (b) In connection with the issue of Aoyuan Instruments to each Scheme Creditor (or its Designated Recipient, as applicable) as part of its Scheme Consideration Entitlement, the Company will require each Scheme Creditor (or its Designated Recipient) who wishes to receive its Scheme Consideration Entitlement to, amongst other things, make certain representations and covenants in the Distribution Confirmation Deed. If the confirmations required by the Distribution Confirmation

Deed cannot be or are not given by a Scheme Creditor (or its Designated Recipient, as applicable), such Scheme Creditor (or its Designated Recipient, as applicable) will not be eligible to receive the relevant Scheme Consideration Entitlement and will not be treated as an Eligible Person.

- (c) Unless otherwise approved by the Company, the Aoyuan Instruments will be transferred and delivered within the United States solely to Accredited Investors. Outside the United States, the Aoyuan Instruments will be transferred and delivered solely to non-U.S. persons in offshore transactions in reliance on Regulation S.
- (d) If you are a U.S. person or acting for the account or benefit of a U.S. person, or are located in the United States, but you are not an Accredited Investor, you are eligible to receive this Explanatory Statement and to participate in the China Aoyuan Schemes and the meetings described herein, but you will not be eligible to receive Aoyuan Instruments.
- (e) The Aoyuan Instruments will not be listed on any U.S. securities exchange or with any inter-dealer quotation system in the United States. The Company does not intend to facilitate a market of the Aoyuan Instruments in the United States. Consequently, the Company believes that it is unlikely that an active trading market in the United States will develop for such Aoyuan Instruments.
- (f) This Explanatory Statement has been issued in respect of securities of a non-U.S. company. Any offer of securities is subject to disclosure requirements of a country other than the United States that are different from those of the United States. Financial statements included in the document, if any, may have been prepared in accordance with foreign accounting standards that may not be comparable to the financial statements of United States companies.
- (g) It may be difficult for you to enforce your rights and any claim you may have arising under U.S. federal securities laws, since the Company is located in a foreign country and all of its officers and directors are residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of the U.S. securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment.

**The Aoyuan Instruments have not been, and will not be, registered with the SEC or any U.S. federal, state or other securities commission or regulatory authority and neither the SEC nor any U.S. federal, state or other securities commission or regulatory authority has approved or disapproved of the Restructuring, the China Aoyuan Schemes, this Explanatory Statement, the Aoyuan Instruments or any of the Scheme Consideration Entitlement, or passed upon the accuracy or adequacy of the information contained in the Solicitation Packet, the China Aoyuan Schemes or this Explanatory Statement. Any representation to the contrary is a criminal offence in the United States.**

**Scheme Creditors who are citizens or residents of the United States should consult their own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes in their particular circumstances.**

### **3.3 Securities Law Considerations for Certain Other Jurisdictions**

#### **(a) European Economic Area**

- (i) The Aoyuan New Securities are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (A) a retail client as defined in point (11) of Article 4(1) of

Directive 2014/65/EU (as amended, "**MiFID II**"); (B) a customer as defined in Directive 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (C) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Aoyuan New Securities or otherwise making the Aoyuan New Securities available to retail investors in the EEA has been prepared and therefore offering or selling the Aoyuan New Securities or otherwise making the Aoyuan New Securities available to any retail investor in the EEA may constitute a breach of the PRIIPs Regulation.

- (ii) In addition, this Explanatory Statement has been prepared on the basis that all offers of the Aoyuan Instruments in the EEA will be made pursuant to an exemption under the Prospectus Regulation, as directly effective in member states of the EEA ("**Member States**" and each, a "**Member State**"), from the requirement to produce a prospectus for offers of the Aoyuan Instruments. Accordingly, any person making or intending to make any offer within the EEA of the Aoyuan Instruments should only do so in circumstances in which no obligation arises for the Company to produce a prospectus for such offer. The Company has not authorised and does not authorise the making of an offer of any of the Aoyuan Instruments through any financial intermediary, other than offers made by the Company, as contemplated by this Explanatory Statement.
- (iii) In relation to each Member State, no offer of Aoyuan Instruments to the public in that Member State may be made other than to any legal entity which is a qualified investor as defined in the Prospectus Regulation (an "**EEA Qualified Investor**") or, in any other circumstances, falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Aoyuan Instruments shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.
- (iv) In connection with the issue of the Aoyuan Instruments, the Distribution Confirmation Deed will require each Scheme Creditor (or its Designated Recipient) who wishes to receive its Scheme Consideration Entitlement to confirm, amongst other things, that it (or its Designated Recipient, as applicable) is an Eligible Person and will require any Scheme Creditor (or its Designated Recipient, as applicable) who is located in a Member State and intends to receive their Aoyuan Instruments to make certain representations and covenants in the Distribution Confirmation Deed (as applicable), including that it is an EEA Qualified Investor. If the confirmations required by the Distribution Confirmation Deed cannot be or are not given by a Scheme Creditor (or its Designated Recipient, as applicable), such Scheme Creditor (or its Designated Recipient, as applicable) will not be eligible to receive the relevant Aoyuan Instruments and will not be treated as an Eligible Person.
- (v) For the purposes of this provision, the expression an "offer to the public" in relation to the Aoyuan Instruments in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Aoyuan Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Aoyuan Instruments, as the same may be varied in that Member State by any measure adopted in that Member State pursuant to the Prospectus Regulation (and amendments thereto).

(b) **United Kingdom**

- (i) The Aoyuan New Securities are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (A) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (B) a customer as defined in the provisions of the United Kingdom's Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014, as it forms part of domestic law by virtue of the EUWA; or (C) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA (as amended, the "**UK Prospectus Regulation**"). Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Aoyuan New Securities or otherwise making them available to retail investors in the UK, has been prepared and therefore offering or selling the Aoyuan New Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.
- (ii) In addition, this Explanatory Statement has been prepared on the basis that all offers of the Aoyuan Instruments in the UK will be made pursuant to an exemption under the UK Prospectus Regulation, from the requirement to produce a prospectus for offers of the Aoyuan Instruments. Accordingly, any person making or intending to make any offer in the UK of the Aoyuan Instruments should only do so in circumstances in which no obligation arises for the Company to produce a prospectus for such offer. The Company has not authorised and does not authorise the making of an offer of any of the Aoyuan Instruments through any financial intermediary, other than offers made by the Company, as contemplated by this Explanatory Statement.
- (iii) No offer of Aoyuan Instruments to the public in the UK may be made other than to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation (a "**UK Qualified Investor**") or in any other circumstances falling within section 86 of the FSMA, provided that no such offer of Aoyuan Instruments shall require the Company to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.
- (iv) In connection with the issue of the Aoyuan Instruments, the Distribution Confirmation Deed will require each Scheme Creditor (or its Designated Recipient) who wishes to receive its Scheme Consideration Entitlement to confirm, amongst other things, that it (or its Designated Recipient) is an Eligible Person and will require any Scheme Creditor (or Designated Recipient) who is located in the UK and intends to receive their Aoyuan Instruments to make certain representations and covenants in the Distribution Confirmation Deed, including that it is a UK Qualified Investor. If the confirmations, the representations and the covenants required by the Distribution Confirmation Deed cannot be or are not given by a Scheme Creditor (or its Designated Recipient), such Scheme Creditor (or its Designated Recipient) will not be eligible to receive the relevant Aoyuan Instruments.

- (v) For the purposes of this provision, the expression an "offer to the public" in relation to the Aoyuan Instruments in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Aoyuan Instruments to be offered so as to enable an investor to decide to purchase or subscribe for the Aoyuan Instruments.
- (vi) The communication of this Explanatory Statement and any other documents or materials relating to the China Aoyuan Schemes is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. This Explanatory Statement is for distribution only to persons who: (A) are outside the United Kingdom; (B) are investment professionals, as such term is defined in Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2000 (as amended, the "**Financial Promotion Order**"); (C) are persons falling within Articles 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Financial Promotion Order; or (D) are persons to whom an invitation or inducement to engage in investment activity (as defined in section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to in this section 3.3(b)(vi) as "**Relevant Persons**"). This Explanatory Statement is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Explanatory Statement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

(c) **Hong Kong**

This Explanatory Statement has not been and will not be registered with the Securities and Futures Commission of Hong Kong or the Hong Kong Registrar of Companies. The Aoyuan Instruments have not been and will not be offered or sold in Hong Kong by means of any document, other than: (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("**SFO**") and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or which do not constitute an offer to the public as defined in C(WUMP)O. No advertisement, invitation or document relating to the Aoyuan Instruments may be issued or may be in the possession of any person other than with respect to Aoyuan Instruments which are, or are intended to be, disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

(d) **PRC**

The Aoyuan Instruments have not been and will not be registered under the relevant securities laws of the PRC. Accordingly, no offer, promotion, solicitation for sales or sale of or for, as the case may be, any Aoyuan Instruments in the PRC (excluding Hong Kong, Macau and Taiwan) will be made, except where permitted by the China Securities Regulatory Commission or where the activity otherwise is permitted under the laws of the PRC.

(e) **Singapore**

- (i) This Explanatory Statement has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this

Explanatory Statement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Aoyuan Instruments may not be circulated or distributed, nor may Aoyuan Instruments be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

- (A) to an institutional investor (as defined in section 4A of the SFA) pursuant to section 274 of the SFA;
  - (B) to a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or
  - (C) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.
- (ii) Where Aoyuan Instruments are subscribed or purchased under section 275 of the SFA by a relevant person which is:
- (A) a corporation (which is not an SFA Accredited Investor), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an SFA Accredited Investor; or
  - (B) a trust (where the trustee is not an SFA Accredited Investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an SFA Accredited Investor,

securities or securities-based derivatives contracts (each term as defined in section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Aoyuan Instruments pursuant to an offer made under section 275 of the SFA, except:

- (1) to an institutional investor, or to a relevant person, or to any person arising from an offer referred to in section 275(1A) or section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Any reference to the SFA is a reference to the Securities and Futures Act 2001 of Singapore, and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term or provision as modified or amended from time to time, including by such of its subsidiary legislation as may be applicable at the relevant time.

**Singapore SFA Product Classification** – In connection with section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Company has determined, and hereby notifies all relevant persons (as defined in section 309A(1) of the SFA), that the Aoyuan Instruments are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

(f) **BVI**

This Explanatory Statement has not been and will not be registered with the BVI Financial Services Commission. No security is or shall be offered to the public in the BVI for purchase or subscription for the purposes of the Securities and Investment Banking Act (as Amended).

(g) **Cayman Islands**

There is no registration required or made under the Securities Investment Business Act (As Revised) in the Cayman Islands or with the Cayman Islands Monetary Authority in relation to this Explanatory Statement and this Explanatory Statement is only distributed to Scheme Creditors such that it does not represent an offer to the public in the Cayman Islands under any law in the Cayman Islands.

#### 4. LETTER FROM THE BOARD TO THE SCHEME CREDITORS

7 November 2023

Dear Scheme Creditor,

##### **Introduction**

- 4.1 The Board writes to you in your capacity as a person who is, or appears to be, a Scheme Creditor. Defined terms used in this letter shall have the meanings given to those terms in Appendix 1 (*Definitions and Interpretation*).
- 4.2 This letter forms part of the Explanatory Statement for the China Aoyuan Schemes proposed by the Company as part of the Restructuring, the details of which are explained below. Please note that the information in this letter is not intended to be exhaustive or complete. Scheme Creditors should read the Explanatory Statement as a whole, in conjunction with the documents that accompany it (including the Solicitation Packet).
- 4.3 The Restructuring will involve the implementation of the following processes (among other things):
- (a) **the China Aoyuan Schemes:** two parallel and inter-conditional court-approved schemes of arrangement in respect of the Company (i) in Hong Kong pursuant to sections 670, 673 and 674 of the Hong Kong Companies Ordinance and (ii) in the Cayman Islands pursuant to section 86 of the Cayman Companies Act; and
  - (b) **the Add Hero Schemes:** two parallel and inter-conditional court-approved schemes of arrangement in respect of Add Hero (which is a directly wholly owned Subsidiary of the Company) (i) in Hong Kong pursuant to sections 670, 673 and 674 of the Hong Kong Companies Ordinance and (ii) in the BVI pursuant to section 179A of the BVI Companies Act.
- 4.4 The primary purpose of the China Aoyuan Schemes and Add Hero Schemes is to effect a restructuring of the Existing Debt. In particular, the combined effect of the China Aoyuan Schemes and the Add Hero Schemes is to achieve an effective release, discharge and/or compromise of the Existing Debt against the China Aoyuan Offshore Group.
- 4.5 The purpose of this letter is to provide a brief explanation of the two parallel and inter-conditional schemes, being the China Aoyuan HK Scheme and China Aoyuan Cayman Scheme, described in this Explanatory Statement, and its effect, should it become effective. The explanatory statement in respect of the Add Hero Schemes provides a brief explanation of the two parallel and inter-conditional schemes, being the Add Hero HK Scheme and Add Hero BVI Scheme.
- 4.6 The Company proposes to seek the sanction of (a) the HK Court in respect of the China Aoyuan HK Scheme and (b) the Cayman Court in respect of the China Aoyuan Cayman Scheme, in each case, should they first be approved by the requisite majorities of Scheme Creditors at the Scheme Meeting to be convened for that purpose. Upon the China Aoyuan Schemes being effective, the Scheme Creditors will release their existing claims under and in connection with the Existing Debt (save for the China Aoyuan Scheme Excluded Liabilities) in return for receiving (or otherwise being allocated) their Scheme Consideration Entitlement, which shall comprise the Aoyuan Instruments, as detailed below.

##### **Director's interest in the Restructuring**

- 4.7 None of the directors of the Company have any material interest (whether as a director, member, creditor or otherwise) in the China Aoyuan Schemes, except as serving as the Director of the Company and certain members of the China Aoyuan Group.



- 4.8 For completeness, the Chairman of the Company, Mr. Guo Zi Wen, beneficially owns certain Existing Public Notes in the principal amount of approximately US\$5,000,000. However, he has undertaken to release, discharge and waive any entitlement to such Existing Public Notes on or before the Restructuring Effective Date.

#### ***The purpose of the Explanatory Statement***

- 4.9 The Company and Add Hero have been exploring various ways to improve the financial position of the China Aoyuan Group and secure the future of its business. Following extensive negotiations with its creditors, the Company and Add Hero have now come to a decision that the Restructuring, as more fully described in section 6 (*Background to the Scheme and the Restructuring*), is in the best interests of the Company and those with an economic or beneficial interest in the Company and the China Aoyuan Group (including, in particular, the Scheme Creditors).
- 4.10 Implementation of the Restructuring as contemplated by this Explanatory Statement will require the: (a) granting of the China Aoyuan Cayman Scheme Sanction Order and filing a sealed copy of the same with the Cayman Registrar of Companies in respect of the China Aoyuan Cayman Scheme, as well as granting of the China Aoyuan HK Scheme Sanction Order and the registration of a sealed copy of the same with the Hong Kong Companies Registry in respect of the China Aoyuan HK Scheme; and (b) granting of the Add Hero BVI Scheme Sanction Order and filing a sealed copy of the same with the BVI Registrar of Corporate Affairs in respect of the Add Hero BVI Scheme, as well as granting of the Add Hero HK Scheme Sanction Order and the delivery of a sealed copy of the same to the Hong Kong Companies Registry in respect of the Add Hero HK Scheme.
- 4.11 The Explanatory Statement, which is provided pursuant to (a) section 671 of the Hong Kong Companies Ordinance and (b) section 86 of the Cayman Companies Act, is distributed for the purpose of providing Scheme Creditors with all the information reasonably necessary to enable the Scheme Creditors to make an informed decision on whether to approve the China Aoyuan Schemes. A short explanation of the reasons for the Restructuring and the proposed China Aoyuan Schemes is included below, as part of this letter.
- 4.12 Scheme Creditors who are also entitled to participate in the Add Hero Schemes – being holders of the ICA Debt (i.e. the Existing Public Notes and the Existing Syndicated Facilities) and the USD100m Noble Prestige Facility – are encouraged to read the explanatory statement in respect of the Add Hero Schemes.
- 4.13 KPMG is acting as financial adviser to the Company, and Linklaters is acting as international legal adviser, along with Harneys, as Cayman and BVI law legal adviser to the Company in relation to the China Aoyuan Schemes, Add Hero Schemes and the Restructuring. Morrow Sodali Limited is acting as the Information Agent, and Madison Pacific Corporate Services Ltd. is acting as the Blocked Scheme Creditor Tabulation Agent.

#### ***Background to the China Aoyuan Group***

- 4.14 The China Aoyuan Group is a leading commercial and residential property developer which focuses on the Guangdong-Hong Kong-Macao Greater Bay Area, and covers four major regions including Southern China, core region of Central and Western China, Eastern China, and the Bohai Economic Rim. The China Aoyuan Group primarily focuses on urban redevelopment projects in the PRC, and its subsidiaries are primarily located in the BVI, Hong Kong and the PRC. A simplified China Aoyuan Group structure chart in respect of the China Aoyuan Group entities as of the date of this Explanatory Statement is set out in Appendix 6 (*Group Structure Chart*).
- 4.15 An overview of the China Aoyuan Group, including its business, its key assets and its indebtedness (including under the Existing Debt) is set out at section 5 (*Background to the Company, the China Aoyuan Group and the China Aoyuan Group's principal financial indebtedness*).

- 4.16 The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 6 March 2007 with registration number 183222. The Company is registered as a non-Hong Kong company in Hong Kong with registration number F0015202. The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 3883) on 9 October 2007.
- 4.17 The Company is the primary obligor under the ICA Debt which has the benefit of the ICA Collateral granted under the Existing Intercreditor Agreement.<sup>13</sup> The Company is also the borrower or guarantor of the remaining Non-ICA Debt, which constitute unsecured liabilities of the Company.
- 4.18 For completeness, certain debt instruments under the Non-ICA Debt – i.e. the Existing Onshore Facilities, USD100m Noble Prestige Facility, the Existing Private Notes and the Existing Private Loans – have the benefit of credit support primarily from certain members of the China Aoyuan Onshore Group and/or entities which are outside the China Aoyuan Group altogether. The liabilities of such members of the China Aoyuan Onshore Group and the entities which are outside the China Aoyuan Group (under the Non-ICA Debt) fall outside the scope of the Restructuring and will not be compromised as part of the China Aoyuan Schemes and the Add Hero Schemes.

### ***Overview of the Restructuring***

- 4.19 The China Aoyuan Group, like many companies in the PRC real estate sector, has been negatively affected by the recent events affecting the PRC real estate sector in various respects.
- 4.20 Since the second half of 2021, the PRC real estate sector and the capital markets that have funded growth and development of the sector have experienced an inflection point. Tightening of financing policies and reduced bank lending for real estate development has resulted in reduced access by PRC property developers to onshore capital.
- 4.21 In addition, the continued economic downturn in the PRC, reduced bank lending for mortgage finance for buyers, as well as buyers' concerns about future incomes and property price movements and the ability of property developers to complete projects has resulted in reduced property sales for both the industry and the China Aoyuan Group. The China Aoyuan Group's other businesses have also been similarly adversely affected owing to the overall downturn of the upstream real estate industry. Adverse reaction to these onshore events by offshore capital markets has limited the China Aoyuan Group's funding sources to address upcoming maturities on its outstanding indebtedness.
- 4.22 The confluence of the above factors has: (a) resulted in a significant deterioration of the China Aoyuan Group's financial position, with the China Aoyuan Group's total revenue decreasing from approximately RMB32,510 million for the six-month period ended 30 June 2021 to approximately RMB10,941 million for the six-month period ended 30 June 2023; and (b) affected the China Aoyuan Group's ability to sustain its existing capital structure.
- 4.23 Prior to the recent difficulties severely affecting the PRC real estate sector, the China Aoyuan Group has been consistently robust in its operating fundamentals and liquidity position and it has met its debt servicing obligations as they became due. In light of the present market conditions, and following a comprehensive consideration of the strategic options available to the China Aoyuan Group, the China Aoyuan Group believes that formulating a comprehensive restructuring with the Existing Noteholders and the Existing Lenders would be the best option for all stakeholders of the China Aoyuan Group (including the Existing Noteholders and the Existing Lenders). In this regard, the Company has taken proactive steps to formulate and implement such restructuring.

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<sup>13</sup> For completeness, USD50,000,000 8.5% Senior Notes Due 2022 only has the benefit of the guarantees by the Existing Public Notes Guarantors unlike the remaining series of Existing Public Notes which have the benefit of guarantees by the Existing Public Notes Guarantors and pledges over the issued share capital of the Existing Public Notes Guarantors.

- 4.24 The Company appointed Linklaters as international legal advisers and KPMG as financial adviser, in or around November 2021 and August 2022, respectively, with a view to facilitating the timely implementation of the comprehensive restructuring and "right-sizing" of its offshore indebtedness. In addition, the Company appointed Harneys as its Cayman Islands and BVI legal advisers in relation to the China Aoyuan Schemes, Add Hero Schemes and the Restructuring.
- 4.25 Together with its financial adviser and legal advisers, the Company and Add Hero carried out extensive negotiations and discussions with certain significant beneficial holders of the Existing Notes and the Existing Loans, including the Ad Hoc Group (comprising certain holders of the Existing Public Notes) and the CoCom (which is a coordinating committee of certain lenders under the Existing Syndicated Facilities).
- 4.26 These discussions were guided by the China Aoyuan Group's ongoing objective of implementing a holistic financial restructuring that would provide the China Aoyuan Group with a sustainable capital structure to deliver long-term value for all of its stakeholders.
- 4.27 Further to such discussions, on 10 July 2023, the Company entered into the Restructuring Support Agreement with the Ad Hoc Group (comprising certain Scheme Creditors who represent approximately 33.10% of the aggregate outstanding principal amount of Existing Public Notes at the material time). The Restructuring Support Agreement appended the Term Sheets setting out the key terms of the Restructuring. Subsequently, holders of the Existing Debt (including certain members of the CoCom) have acceded to the Restructuring Support Agreement.
- 4.28 As of the date of this Explanatory Statement, (i) holders of the ICA Debt representing more than 72% of the aggregate outstanding principal amount of the ICA Debt and (ii) holders of the Non-ICA Debt representing more than 22% of the aggregate outstanding principal amount of Non-ICA Debt, have executed or acceded to the Restructuring Support Agreement. Existing Noteholders and Existing Lenders who have executed or acceded to the Restructuring Support Agreement are required, under its terms and subject to certain rights for such Existing Noteholders and Existing Lenders to terminate their participation in the Restructuring Support Agreement, to not take Enforcement Actions and to take all commercially reasonable actions within their power which they are reasonably requested by the Company to take to support the Restructuring and vote in favour of the China Aoyuan Schemes and the Add Hero Schemes, subject to the terms of the Restructuring Support Agreement. Existing Noteholders and Existing Lenders of the remaining outstanding Existing Debt are still encouraged to accede to the Restructuring Support Agreement, which will remain open for accession until the Record Date. However, such Existing Noteholders and Existing Lenders are not eligible to receive any RSA Fees.
- 4.29 The Restructuring seeks to fully compromise and discharge the obligations of the members of the China Aoyuan Offshore Group, arising, directly or indirectly, in relation to, or arising out of or in connection with, the Existing Debt. Specifically, the Existing Debt will be compromised on the following terms:
- (a) pursuant to the Add Hero Schemes, the obligations of Add Hero, and the Add Hero Offshore Group in respect of the ICA Debt (being the Existing Public Notes and the Existing Syndicated Facilities), and the USD100m Noble Prestige Facility will be compromised; and
  - (b) pursuant to the China Aoyuan Schemes, the obligations of the Company and members of the China Aoyuan Offshore Group in respect of:
    - (i) the ICA Debt (to the extent such obligations were not compromised pursuant to the Add Hero Schemes) will be fully discharged and such debt instruments will be cancelled;

- (ii) the Existing Bilateral Facilities (SBLC) and Existing Other Offshore Financings will be fully discharged and such debt instruments will be cancelled;
  - (iii) the Existing Onshore Facilities will be fully discharged, save that any claims against the Existing Onshore Facilities Obligors (which are members of the China Aoyuan Onshore Group) under such debt instruments shall be preserved;
  - (iv) the USD100m Noble Prestige Facility (to the extent such obligations were not compromised pursuant to the Add Hero Schemes) will be fully discharged, save that any liabilities of Aoyuan Group Company Limited (奥园集团有限公司) (which is a member of the China Aoyuan Onshore Group) shall be preserved; and
  - (v) the Company's unsecured guarantee obligations under the Existing Private Notes and the Existing Private Loans will be fully discharged. However, any liabilities of the obligors under such Existing Debt, which are members of the China Aoyuan Onshore Group or entities outside the China Aoyuan Group, shall be preserved.
- 4.30 The Company considers that there are strong commercial justifications for only compromising and discharging the obligations of the China Aoyuan Offshore Group as part of the Restructuring.
- 4.31 First, the Company, with its limited financial resources does not intend to address the financial liabilities of entities outside the China Aoyuan Group.
- 4.32 Second, the Company recognises that certain Scheme Creditors, in addition to their claims against the Company, also have separate structurally superior claims against certain members of the China Aoyuan Onshore Group. It would not be possible for the Company to seek to include the compromise of those onshore claims as part of the Restructuring without risking significant impact on the onshore operations of the China Aoyuan Group. Any enforcement actions by the Scheme Creditors in respect of the claims against the China Aoyuan Onshore Group would be value-destructive for all stakeholders of the China Aoyuan Group and would be counter-productive to the Restructuring. Instead, the Company intends to address the claims against such members of the China Aoyuan Onshore Group through bilateral negotiations and/or restructuring processes in the PRC. The Company further intends to take into account the value of any Scheme Consideration Entitlement received by such Scheme Creditors pursuant to the China Aoyuan Schemes during any bilateral negotiations and/or restructuring processes in the PRC.
- 4.33 Third, the Company believes that, as part of the Restructuring, the successful implementation of the China Aoyuan Schemes and the Add Hero Schemes will reduce the short-term debt burden of the Company and the wider China Aoyuan Group, leaving them with a sustainable capital structure and a strengthened balance sheet that will allow the Company, Add Hero and the other entities within the China Aoyuan Group to comply with their post-restructuring obligations and liabilities and to trade on a going-concern basis.
- 4.34 The background to the Restructuring and terms of the Restructuring Support Agreement are set out in more detail in section 6 (*Background to the Scheme and the Restructuring*). In addition, a copy of the Restructuring Support Agreement is available on the Transaction Website.

### ***Creditor support for the Restructuring and the Schemes***

- 4.35 In addition to each of the other conditions which need to be satisfied for any of the China Aoyuan Schemes to be effective, at least a simple majority in number of the Scheme Creditors attending and voting at the Scheme Meeting either in person or by proxy representing at least 75% in value of the Scheme Claims of the Scheme Creditors attending and voting at the Scheme Meeting either in person or by proxy will need to approve the China Aoyuan Schemes.
- 4.36 In this regard, the Company understands that, as of the date of this Explanatory Statement, Scheme Creditors holding more than 55% of the aggregate outstanding principal amount of the Existing Debt (including more than 72% of the aggregate outstanding principal amount of the Existing Public Notes and Existing Syndicated Facilities) have executed or acceded to the Restructuring Support Agreement and have accordingly undertaken to support the implementation of the Restructuring and vote in favour of the China Aoyuan Schemes at the Scheme Meeting, subject to the terms of the Restructuring Support Agreement.
- 4.37 The Company is grateful for the support and prompt response from the Existing Noteholders and Existing Lenders (including Scheme Creditors who represent more than 22% of the aggregate outstanding principal amount of the Non-ICA Debt), which has enabled it to achieve this level of support within a short period of time.

### ***Effect of the Restructuring (including the China Aoyuan Schemes and the Add Hero Schemes)***

- 4.38 Pursuant to and subject to the terms of the China Aoyuan Schemes and Add Hero Schemes:
- (a) with effect from the Restructuring Effective Date and subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, the respective rights and obligations of the Scheme Creditors (including any person that acquires an interest in the Existing Debt after the Record Date), the Company and members of the China Aoyuan Offshore Group towards one another under the Existing Debt Finance Documents will terminate and be of no further force and effect, specifically:
    - (i) the obligations of Add Hero and members of the Add Hero Offshore Group in respect of the ICA Debt and the USD100m Noble Prestige Facility will be compromised pursuant to the Add Hero Schemes, and
    - (ii) the obligations of the Company and members of the China Aoyuan Offshore Group in respect of the ICA Debt and Non-ICA Debt will be compromised pursuant to the China Aoyuan Schemes, to the extent their obligations were not compromised pursuant to the Add Hero Schemes;
  - (b) pursuant to the China Aoyuan Schemes, the Company will distribute (or otherwise allocate) the following Aoyuan Instruments to the Scheme Creditors in accordance with their pro rata share of the total Scheme Claims:
    - (i) Aoyuan New Notes in the aggregate principal amount of US\$400,000,000,
    - (ii) Aoyuan MCB in the aggregate principal amount of US\$143,000,000,
    - (iii) Aoyuan Perpetuals in the aggregate principal amount of US\$1,600,000,000,
    - (iv) New Shares, and
    - (v) Transfer Shares; and

- (c) pursuant to the Add Hero Schemes, Add Hero will distribute (or otherwise allocate) the following consideration to the scheme creditors under the Add Hero Schemes in accordance with their pro rata share of the total scheme claims under the Add Hero Schemes:
  - (i) Add Hero Notes in the principal amount of US\$1,800,000,000, and
  - (ii) Cash Consideration (i.e. the aggregate amount deposited in the Designated Accounts as at the Restructuring Effective Date after deducting all professional fees incurred in respect of the Restructuring).
- 4.39 Scheme Creditors who are Sanctioned Scheme Creditors shall not be: (a) eligible to vote at the Scheme Meeting; or (b) able to receive or otherwise be allocated any Scheme Consideration Entitlements while the Applicable Sanctions apply and are required to notify the Company immediately in writing of their status in accordance with clause 5.5 (*Sanctioned Scheme Creditors*) of the China Aoyuan Schemes.
- 4.40 Blocked Scheme Creditors shall: (a) be eligible to vote at the Scheme Meeting; and (b) be allocated (but shall not receive) their Blocked Scheme Consideration Entitlement, provided that they submit their Blocked Scheme Creditor Form in accordance with the instructions set out in the relevant Blocked Scheme Creditor Form, the Solicitation Packet and the China Aoyuan Schemes.
- 4.41 The Restructuring, including the China Aoyuan Schemes and the Add Hero Schemes, will affect the rights of the Company and the members of the China Aoyuan Offshore Group only. Certain other parties will also receive the benefit of certain releases given under, and in connection with, the China Aoyuan Schemes and the Add Hero Schemes.
- 4.42 An overview of the Restructuring (including the China Aoyuan Schemes) is set out in section 7 (*Overview of the Restructuring*). The terms of the Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals are summarised in section 8 (*Summary of the Aoyuan New Securities*). The terms of the Add Hero Schemes (including the terms of the scheme consideration to be distributed therein) are summarised in the explanatory statement in respect of the Add Hero Schemes.

#### ***Listing Requirements***

- 4.43 An application will be made for the listing and quotation of the Aoyuan New Securities on the SGX-ST. Approval in-principle for admission to the official list of and the listing and quotation of the Aoyuan New Securities on the SGX-ST is not to be taken as an indication of the merits of the Aoyuan New Securities, the Company, any guarantees, any guarantors, their respective subsidiaries (if any), their respective associated companies (if any) or their respective joint venture companies (if any).
- 4.44 For so long as the Aoyuan New Securities are listed on the SGX-ST and the rules of the SGX-ST so require, such Aoyuan New Securities will be traded on the SGX-ST in a minimum board lot size of at least SGD200,000 (or its equivalent in foreign currencies).
- 4.45 To the extent that the Company is required to disclose additional information solely for the purposes of the application to list Aoyuan New Securities on the SGX-ST, such information will be made available to Scheme Creditors on the Transaction Website.
- 4.46 For so long as any Aoyuan New Securities are listed on the SGX-ST and the rules of the SGX-ST so require, the Company shall appoint and maintain a paying agent in Singapore, where the Aoyuan New Securities may be presented or surrendered for payment or redemption, in the event that a global note is exchanged for certificated notes. In addition, in the event that a global note is exchanged for certificated notes, an announcement of such exchange will be made by the Company through the SGX-ST and such announcement will

include all material information with respect to the delivery of the certificated notes, including details of the paying agent in Singapore.

***What happens if the Restructuring fails?***

- 4.47 The proposed Restructuring is the result of extensive, arm's length discussions and negotiations with the creditors of the Company and Add Hero, with the objective of implementing a holistic financial restructuring that would provide the China Aoyuan Group with a sustainable capital structure to deliver long-term value for all of its stakeholders.
- 4.48 At present, the Existing Debt is due and payable and various Existing Noteholders and Existing Lenders have taken action in respect of the Existing Debt (which are detailed at section 6.7 (*Non-payments under the Existing Debt and action taken by certain Existing Lenders and Existing Noteholders*)). The Restructuring Support Agreement currently requires forbearance by the Consenting Creditors; however, the Restructuring Support Agreement will automatically terminate if the Restructuring is not implemented, following which the Existing Lenders and/or the Existing Noteholders will be able to commence or continue enforcement action under the Existing Debt Finance Documents.
- 4.49 Should the China Aoyuan Schemes, Add Hero Schemes and the Restructuring not be implemented, the scope and feasibility of an alternative workable transaction, liquidity solution and/or medium- to long-term plan to address the China Aoyuan Group's difficulties are limited, taking into consideration the China Aoyuan Group's business operations, financial position, available financing sources and cash flow position.
- 4.50 Accordingly, the Company believes that, should the China Aoyuan Schemes, Add Hero Schemes and the Restructuring not proceed, the Company will be unable to comply with its obligations under the Existing Debt, the China Aoyuan Group will be unable to comply with the other outstanding indebtedness of the China Aoyuan Group and there is a material risk that certain of the Scheme Creditors, as well as other creditors of the China Aoyuan Group will pursue enforcement actions against the Company and/or other members of the China Aoyuan Group. In these circumstances, the Company would seek to maximise recoveries for creditors as best as it can, but anticipates that the members of the China Aoyuan Group would likely be required to make, or cause the Company to make, an application to the Cayman Court or courts in other relevant jurisdictions, as applicable, to place the Company and/or certain other members of the China Aoyuan Group into liquidation or other appropriate Insolvency Proceedings to facilitate an orderly winding-up and realisation of their assets for the benefit of the creditors of the Company and/or the relevant members of the China Aoyuan Group.
- 4.51 As such, the Company believes that an insolvent liquidation of the Company is the most likely alternative outcome if the Restructuring does not proceed.
- 4.52 The Company has received the Liquidation Analysis from Kroll, which is set out at Appendix 7 (*Liquidation Analysis*), as to the likely outcomes for Scheme Creditors in the event that the Company and the China Aoyuan Group have to enter into liquidation. As a summary, the Liquidation Analysis suggests that in a liquidation scenario of the Company and the China Aoyuan Group, there will be insufficient realisations to settle the Scheme Claims. It is further estimated that, in the event of the liquidation of the Company and the China Aoyuan Group, there will be an estimated return of between 3.7% to 4.2% from the Company to each of the Existing Noteholders and Existing Lenders who are in the same single class of Scheme Creditors in the China Aoyuan Schemes. Importantly, the Company believes that the likely recoveries for Scheme Creditors in the event of a liquidation will be worse than their potential recoveries pursuant to the Restructuring.
- 4.53 These estimate returns are significantly lower compared to the scenario where the Restructuring is implemented. On the Restructuring Effective Date, each Scheme Creditor will be entitled to receive (or otherwise allocated) its Scheme Consideration Entitlement (comprising the Aoyuan New Notes, Aoyuan MCB, Aoyuan Perpetuals, Transfer Shares

and New Shares) in accordance with its pro rata share of the Scheme Claims. Assuming the China Aoyuan Group continues to operate as a going concern as a result of the Restructuring, there will be an estimated return of 36.1% to each Scheme Creditor based on its Scheme Consideration Entitlement.

- 4.54 Based on the above, the Company believes that the Restructuring offers the Scheme Creditors the best prospects of allowing the China Aoyuan Group to continue to carry on its business as a going concern and of obtaining any reasonable recovery in light of the potential economic consequences of insolvency.

***Actions to be taken***

- 4.55 The HK Court has granted the Company permission to convene the Scheme Meeting for the Scheme Creditors to consider and, if thought fit, approve the China Aoyuan HK Scheme.
- 4.56 The Cayman Court has granted the Company permission to convene the Scheme Meeting for the Scheme Creditors to consider and, if thought fit, approve the China Aoyuan Cayman Scheme.
- 4.57 Scheme Creditors should refer to section 1 (*Expected Timetable of Principal Events in Relation to the China Aoyuan Schemes*) for the timing of the Scheme Meeting, and refer to section 9 (*Scheme Creditors and actions to be taken*) for the information on required actions to be taken. Detailed instructions regarding completion and submission of the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) are included in the Solicitation Packet as set out at Appendix 5 (*Solicitation Packet*).
- 4.58 **The Company urges all Scheme Creditors to start the process for authorising and arranging attendance of an authorised representative, and submitting their Account Holding Letters, Lender Proxy Form or Blocked Scheme Creditor Form as soon as possible and in any event no later than the relevant deadlines set out in the Solicitation Packet.**

***Risk factors***

- 4.59 The China Aoyuan Group's ability to continue to operate as a going concern and service the Aoyuan New Securities following implementation of the China Aoyuan Schemes is subject to certain operating and other risks. Further details in respect of such risks are detailed in section 11 (*Risk Factors*).



**Recommendation**

- 4.60 In summary, the Restructuring will seek to: (i) provide the Company with a long-term, sustainable capital structure and a strengthened balance sheet that will allow the China Aoyuan Group to comply with its debt obligations and liabilities and to trade on a going-concern basis moving forward; (ii) alleviate the liquidity pressures faced by the Company and to align the debt servicing demands with the prevailing financial condition of the China Aoyuan Group and the PRC property industry; and (iii) maximise value for all stakeholders while ensuring their rights are adequately protected and treated fairly.
- 4.61 For the reasons set out in the Explanatory Statement, the Company considers the Restructuring and the China Aoyuan Schemes to be in the best interests of the Company, its shareholders and its creditors as a whole. Accordingly, the Company recommends that Scheme Creditors vote in favour of the China Aoyuan Schemes at the Scheme Meeting.

Yours faithfully,

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Guo Zi Wen

Chairman of the Board  
China Aoyuan Group Limited (中國奧園集團股份有限公司)

5. **BACKGROUND TO THE COMPANY, THE CHINA AOYUAN GROUP AND THE CHINA AOYUAN GROUP'S PRINCIPAL FINANCIAL INDEBTEDNESS**

5.1 **The Company**

- (a) The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 6 March 2007 with company number 183222. The Company's registered office address is currently situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The Company is registered as a non-Hong Kong company in Hong Kong with registration number F0015202. The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 3883) on 9 October 2007.
- (c) As at the date of this Explanatory Statement, the authorised share capital of the Company is HKD1,000,000,000 divided into 100,000,000,000 ordinary shares of a nominal or par value of HKD0.01 each, of which 2,965,571,354 of the 100,000,000,000 ordinary shares of HKD0.01 each have been issued and are fully paid up, or credited as fully paid up, with the rest remaining unissued.
- (d) The Company's headquarters and principal place of business in the PRC is located at Aoyuan Tower No. 48, Wanhui Yi Road, Panyu District, Guangzhou, Guangdong, PRC. The Company's principal place of business in Hong Kong is located at Units 1901-2, 19th Floor, One Peking, No. 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong.
- (e) The Company's website is at <https://en.aoyuan.com.cn>.

5.2 **The China Aoyuan Group**

- (a) The Company is the holding company of the China Aoyuan Group. The China Aoyuan Group comprises the Company and its directly or indirectly owned subsidiaries, located across various jurisdictions, including the British Virgin Islands, Australia, Canada, Hong Kong and the PRC.
- (b) Add Hero is the direct wholly owned subsidiary of the Company. Save for the China Aoyuan Group's equity interest in Healthy Life, Add Hero is the intermediate holding company of the China Aoyuan Group that holds substantially all of the China Aoyuan Group's onshore and offshore subsidiaries.
- (c) A simplified group structure chart in respect of the China Aoyuan Group entities as at the date of this Explanatory Statement is set out in Appendix 6 (*Group Structure Chart*).
- (d) The China Aoyuan Group is a property developer in China and has been developing residential projects for over two decades. The business focus of the China Aoyuan Group is the development and sale of residential properties and commercial properties. The China Aoyuan Group's projects comprise various types of developments, including residential apartments, commercial apartments, low-density residentials, retail shops and others.
- (e) The China Aoyuan Group focuses on the Guangdong-Hong Kong-Macao Greater Bay Area, and covers four major regions, including Southern China, the core region of Central and Western China, Eastern China, and the Bohai Economic Rim. The China Aoyuan Group has established an extensive urban redevelopment layout and is a key player in urban redevelopment in the Greater Bay Area. The China Aoyuan Group also has property development and investment projects in Canada and Hong

Kong, and holds a 24.68% stake in Healthy Life, which is a property management services and commercial operational services provider in the PRC.

- (f) Scheme Creditors can obtain further information on the China Aoyuan Group, including financial information, from the China Aoyuan Group's website (<https://en.aoyuan.com.cn>).

### 5.3 Financial statements

- (a) The most recent unaudited consolidated financial statements of the China Aoyuan Group are the unaudited consolidated interim financial statements of the China Aoyuan Group for the six months ended 30 June 2023, which are deemed to be incorporated by reference in, and are to form part of, this Explanatory Statement.
- (b) The audited consolidated financial statements of the China Aoyuan Group for the year ended 31 December 2022 are available without charge on the Company's website (<https://en.aoyuan.com.cn>) and the website of the HKEX ([https://www.hkex.com.hk/?sc\\_lang=en](https://www.hkex.com.hk/?sc_lang=en)) and are intended to be made available on the Transaction Website.

### 5.4 Business operations of the China Aoyuan Group

- (a) The revenue of the China Aoyuan Group is primarily generated from property development.
- (b) For the six-month period ended 30 June 2023, the China Aoyuan Group's total revenue was approximately RMB10,941 million. Property development revenue, other revenue such as hotel operation and property investment revenue accounted for 84.7%, 14.5% and 0.8%, respectively.
- (c) As at 30 June 2023, the China Aoyuan Group had 259 projects in landbank with a total GFA of approximately 28.22 million sq.m. and attributable GFA of approximately 23.13 million sq.m.; in addition, the China Aoyuan Group had urban redevelopment projects with a planned total GFA of approximately 30.66 million sq.m. and a planned saleable GFA of approximately 13.29 million sq.m.

### 5.5 Key assets of the Company

- (a) As at 30 June 2023, the Company's non-current assets amounted to approximately RMB735,947 (US\$101,850<sup>14</sup>) and the Company's current assets amounted to approximately RMB11,736,643,689 (US\$1,624,269,104), which primarily consisted of the following:
  - (i) **Property, plant and equipment** – the Company owns certain office equipment valued at RMB735,947 (US\$101,850);
  - (ii) **Bank balances and cash** – RMB9,851,620 (US\$1,363,395);
  - (iii) **Trade and other receivables** – RMB1,414,480 (US\$195,754);
  - (iv) **Intercompany receivables** – amounts owing to the Company from other subsidiaries in the China Aoyuan Group amounted to RMB11,725,377,589 (US\$ USD1,622,709,954); and
  - (v) **Investment in subsidiaries** – the Company's equity interest in its direct subsidiaries is valued at RMB0 (US\$0) because the security granted by the Company over the shares of Add Hero (the intermediate holding company

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<sup>14</sup> Conversion rate to US\$ is RMB1 = US\$0.138392980708019.

of the China Aoyuan Group that holds substantially all of the China Aoyuan Group's onshore and offshore subsidiaries) has become enforceable and because the China Aoyuan Group has ceased to be the controlling shareholder of Healthy Life following the disposal of 29.9% of the issued capital of Healthy Life on 17 July 2023.

## 5.6 Summary of the Company's principal financial indebtedness

- (a) As at the date of this Explanatory Statement, the Company's financial indebtedness consisted primarily of the following categories of indebtedness as summarised in the table below and described in further detail in the sections below:
- (i) Indebtedness subject to the China Aoyuan Schemes, which comprises:
- (A) ICA Debt, which comprises:
- (I) the Existing Public Notes; and
- (II) the Existing Syndicated Facilities; and
- (B) Non-ICA Debt, which comprises:
- (I) the Existing Bilateral Facilities (SBLC);
- (II) the Existing Other Offshore Financings;
- (III) the Existing Private Notes;
- (IV) the Existing Onshore Facilities;
- (V) the Existing Private Loans; and
- (VI) the USD100m Noble Prestige Facility; and
- (ii) Indebtedness excluded from the China Aoyuan Schemes, which comprises:
- (A) offshore project financing;
- (B) Onshore Bank and Other Borrowings;
- (C) trade and other payables; and
- (D) intercompany payables.

<b><i>Indebtedness subject to the China Aoyuan Schemes and Add Hero Schemes</i></b>	
<b>Indebtedness</b>	<b>Outstanding principal amount as at 30 June 2023 (US\$)<sup>15</sup></b>

<sup>15</sup> Figures converted at following conversion rates:

<b>Currency</b>	<b>Conversion rate to US\$</b>
HKD	0.127600
RMB	0.138392980708019
CAD	0.737789

Existing Public Notes	3,438,000,000
Existing Syndicated Facilities	596,583,220
<b><u>Total ICA Debt</u></b>	<b><u>4,034,583,220</u></b>
Existing Bilateral Facilities (SBLC)	157,162,627
Existing Other Offshore Financings	438,143,997
Existing Private Notes	650,000,000
Existing Onshore Facilities	413,772,058
Existing Private Loans	456,257,600
USD100m Noble Prestige Facility	100,000,000
<b><u>Total Non-ICA Debt</u></b>	<b><u>2,215,336,282</u></b>
<b><u>Total liabilities subject to the China Aoyuan Schemes</u></b>	<b><u>6,249,919,502</u></b>
<b><i>Indebtedness not subject to the China Aoyuan Schemes and Add Hero Schemes</i></b>	
<b>Indebtedness</b>	<b>Outstanding principal amount as at 30 June 2023 (US\$)<sup>16</sup></b>
Offshore project financing	270,835,684
Onshore Bank and Other Borrowings	266,354,383
<b>Indebtedness</b>	<b>Outstanding amount as at 30 June 2023 (US\$)<sup>17</sup></b>
Trade and other payables	627,543,565
Intercompany payables	50,231,381
<b><u>Total liabilities excluded from the China Aoyuan Schemes</u></b>	<b><u>1,214,965,013</u></b>

(b) **Indebtedness subject to the China Aoyuan Schemes**

(i) **Existing Public Notes**

- (A) The Existing Public Notes refer to, collectively, the financing arrangements described in Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*).
- (B) The obligations of the Company in respect of the Existing Public Notes are guaranteed by the Existing Public Notes Guarantors. Pursuant to the terms of the Existing Public Notes Indenture, each Existing Public Notes Guarantor jointly and severally guarantees the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Existing Public Notes.
- (C) In addition, in order to secure the obligations of the Company under the Existing Public Notes (other than the USD50,000,000 8.5% Senior Notes Due 2022), a first priority lien was granted over the ICA Collateral for the benefit of the holders of the Existing Public Notes (other than the USD50,000,000 8.5% Senior Notes Due 2022) and holders of other Permitted Pari Passu Secured Indebtedness (as defined in the Existing Intercreditor Agreement) on a *pari passu* and pro rata basis. The ICA Collateral includes the capital stock of all of the Existing Public Notes Guarantors (other than Gold Lucky).

<sup>16</sup> See footnote 16 above.

<sup>17</sup> See footnote 16 above.

(ii) **Existing Syndicated Facilities**

- (A) The Existing Syndicated Facilities refer to, collectively, the financing arrangements described in Part B (*Existing Syndicated Facilities*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*).
- (B) The obligations of the Company in respect of the Existing Syndicated Facilities are (I) guaranteed by the Existing Syndicated Facilities Guarantors (which are identical to the Existing Public Notes Guarantors) and (II) secured by the ICA Collateral.

(iii) **Existing Bilateral Facilities (SBLC)**

- (A) The Existing Bilateral Facilities (SBLC) refer to, collectively, the financing arrangements described in Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*).
- (B) Each of the Existing Bilateral Facilities (SBLC) borrowed by the Company benefit from a standby letter of credit. As at the date of this Explanatory Statement, the relevant Existing Lenders have enforced such standby letters of credit. Accordingly, the China Aoyuan Schemes will only compromise the residual (unsecured) indebtedness owing to such Existing Lenders.

(iv) **Existing Other Offshore Financings**

- (A) The Existing Other Offshore Financings refer to, collectively, the financing arrangements described in Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*).
- (B) The indebtedness under the Existing Other Offshore Financings constitute unsecured liabilities of the Company.

(v) **Existing Private Notes**

- (A) The Existing Private Notes refer to, collectively, the financing arrangements described in Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*).
- (B) The obligations of the respective issuers in respect of the Existing Private Notes are guaranteed by the Company. Pursuant to the terms of the Existing Private Notes Deed of Guarantees, the Company guarantees the due and punctual payment of all sums from time to time payable by the issuers of the Existing Private Notes.

(vi) **Existing Onshore Facilities**

The Existing Onshore Facilities refer to, collectively, the financing arrangements described in Part F (*Existing Onshore facilities*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and

Appendix 3 (*China Aoyuan Cayman Scheme*). The Company has provided guarantees in respect of the Existing Onshore Facilities.

(vii) **Existing Private Loans**

The Existing Private Loans refer to, collectively, the financing arrangements described in Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*) to Appendix 2 (*China Aoyuan HK Scheme*) and Appendix 3 (*China Aoyuan Cayman Scheme*). The Company has provided guarantees in respect of the Existing Private Loans. The Company has granted security over certain of its accounts in favour of the lender under one of the Existing Private Loans. However, the amounts deposited in the charged accounts are *de minimis* (less than USD200), and will in any event not be compromised as part of the China Aoyuan Schemes.

(viii) **USD100m Noble Prestige Facility**

The obligations of the Company in respect of the USD100m Noble Prestige Facility, are guaranteed by Add Hero and certain of Add Hero's subsidiaries, namely, Add Lion Profits Limited, Add Rights Investments Limited and Aoyuan Group Company Limited (奥园集团有限公司).

(c) **Indebtedness excluded from the China Aoyuan Schemes**

(i) **Offshore project financing**

The Company has provided guarantees in respect of the following offshore project financings:

- (A) the term loan facility letter dated 12 August 2021 entered into between, among others, Fine Wisdom Global Limited, an indirectly wholly owned subsidiary of the Company, as borrower, the Company as guarantor, Finest Gold Global Limited, Aoyuan Property (Hong Kong) Limited and Capital Benefit Limited as security providers and Hang Seng Bank Limited as lender;
- (B) the credit agreement dated 2 January 2020 entered into between, among others, 5799 Yonge Street Limited Partnership as borrower, the Company as guarantor and HSBC Bank Canada, United Overseas Bank Limited, Vancouver Branch, Bank of China (Canada) and Coast Capital Savings Federal Credit Union as lenders; and
- (C) the credit agreement dated 30 November 2020 entered into between, among others, 128 Peter Street Limited Partnership as borrower, the Company as guarantor, HSBC Bank Canada and Bank of Montreal as lenders.

(ii) **Onshore Bank and Other Borrowings**

- (A) The Onshore Bank and Other Borrowings comprise various onshore bonds and loans (other than the Existing Debt) guaranteed by China Aoyuan in an aggregate principal amount of US\$266,354,383.
- (B) As further explained at section 6.3 (*Negotiations with Existing Noteholders and Existing Lenders and the appointment of Advisers*), it is not intended that the Onshore Bank and Other Borrowings be the subject of the Restructuring. The China Aoyuan

Group will be seeking to restructure the Existing Debt first to provide the China Aoyuan Group with a stable platform to address the Onshore Bank and Other Borrowings through bilateral negotiations between the China Aoyuan Group and creditors under those financings and will take into account the recoveries of those creditors under the China Aoyuan Schemes.

(iii) **Trade and other payables**

Trade and other payables comprise interest payable and other payables, in an aggregate amount of US\$627,543,564.

(iv) **Intercompany payables**

Intercompany payables comprise amounts owed by the Company to other members of the China Aoyuan Group, in an aggregate amount of US\$50,231,381.

## 5.7 Financial position of the China Aoyuan Group

- (a) As at 30 June 2023, the China Aoyuan Group's non-current assets on a consolidated basis amounted to approximately RMB24,867 million (US\$3,441 million) and the China Aoyuan Group's current assets on a consolidated basis amounted to approximately RMB196,954 million (US\$27,257 million).
- (b) As at 30 June 2023, the China Aoyuan Group's key assets primarily relate to the following:
  - (i) **Properties for sale.** Properties for sale of approximately RMB137,602 million (US\$19,043 million) (31 December 2022: approximately RMB142,718 million (US\$19,751 million)), which mainly comprised completed properties and properties under development.
  - (ii) **Trade and other receivables.** Trade and other receivables of approximately RMB30,643 million (US\$4,241 million) (31 December 2022: approximately RMB33,237 million (US\$4,600 million)), which mainly comprised other receivables, including the receivables from disposal of equity interests, payments on behalf of customers, temporary payments made for potential property projects, deposit paid to an independent third party for a short-term borrowing, receivable from refund of the deposit for land auction and other temporary payments.
  - (iii) **Investment properties.** Investment properties of approximately RMB12,509 million (US\$1,731 million) (31 December 2022: approximately RMB12,623 million (US\$1,747 million)).
  - (iv) **Amounts due from joint ventures.** Amounts due from joint ventures of approximately RMB11,753 million (US\$1,626 million) (31 December 2022: approximately RMB9,827 million (US\$1,360 million)).
  - (v) **Bank balances and cash.** Cash and bank deposits of approximately RMB3,374 million (US\$467 million) (31 December 2022: approximately RMB5,110 million (US\$707 million)).
  - (vi) **Restricted bank deposits.** Restricted bank deposits of approximately RMB3,563 million (US\$493 million) (31 December 2022: approximately RMB4,231 million (US\$586 million)), which served as security deposits and mortgage guarantees or with restrictions imposed by judicial freeze and creditors.



- (c) As at 30 June 2023, the China Aoyuan Group's non-current liabilities on a consolidated basis amounted to approximately RMB8,883 million (US\$1,229 million) and the China Aoyuan Group's current liabilities on a consolidated basis amounted to approximately RMB233,470 million (US\$32,311 million).

## 6. BACKGROUND TO THE SCHEME AND THE RESTRUCTURING

### 6.1 Circumstances leading to the Restructuring

- (a) The COVID-19 pandemic affected millions of individuals and adversely impacted national economies worldwide, including the PRC, where the China Aoyuan Group operates. Since mid-2021, a number of high-profile Chinese companies in the PRC real estate sector began to experience difficulties in securing external financing from PRC banks and the offshore capital markets. The onshore bank lending and the offshore capital markets that have funded the growth and development of the PRC real estate sector have experienced an unprecedented inflection point. The China Aoyuan Group, like many others in the PRC real estate sector, has been severely and negatively affected by this downturn affecting the PRC real estate sector (and the PRC economy as a whole) in the following respects:

- (i) Difficulty raising onshore and offshore financing:

Since mid-2021, the China Aoyuan Group, like many others within the PRC real estate sector, has been unable to access typical financing channels, such as bank lending and capital markets for equity and debt. Reduced bank lending for the real estate sector has resulted in reduced access by the China Aoyuan Group to onshore capital. In addition, the continued economic downturn in the PRC, reduced bank lending for mortgage finance for buyers, as well as concerns of buyers about future incomes and property price movements and the ability of property developers to complete projects, has resulted in reduced property sales for both the industry and the China Aoyuan Group. The China Aoyuan Group's other businesses have also been adversely affected owing to the overall downturn of the upstream real estate industry. Adverse reaction to these onshore events by offshore capital markets has limited the China Aoyuan Group's funding sources to address upcoming maturities on its outstanding indebtedness. The offshore bond market, on which the China Aoyuan Group relies heavily for refinancing and growth capital, is effectively closed to the privately-owned companies in the PRC real estate sector. The difficulty faced by the China Aoyuan Group in raising onshore and offshore financing has significantly exacerbated its current liquidity pressures.

- (ii) Decreased cash flows and liquidity in a deteriorating market:

In light of the tightened government policy, the multiple high-profile credit events and the deteriorating consumer sentiment in the PRC real estate sector, sales for residential property in China have shown a significant slow-down and prices for residential properties also suffered a substantial reduction and remain depressed in 2023. The China Aoyuan Group recorded a decrease in revenue as compared with the corresponding period in 2021, which reflects the challenging economic conditions in which the China Aoyuan Group is presently operating. The market downturn has in turn materially and adversely impacted the China Aoyuan Group's ability to generate sufficient cash to service its debts in a timely manner and sustain its operations.

- (iii) The negative impact of the COVID-19 pandemic:

The PRC economy as a whole continues to remain sluggish post-pandemic and this has continued to affect the business operations of the China Aoyuan Group in multiple aspects, including, among others, resulting in: (A) a slowdown in property sales and a decrease in property sale prices due to poor consumer sentiment owing to the continuing poor economic outlook in the PRC; (B) reduced revenues from property management and hotel

operations due to the continued weakening of consumer demand in the PRC; and (C) increased difficulty and costs in accessing the global capital markets due to overall negative investor sentiment, significant volatility and liquidity disruptions. While the PRC central and local governments have taken various measures to boost the economy and stimulate the local property markets, which led to some gradual recovery in the sector, overall outlook in the sector is expected to remain challenging in 2023.

- (b) The confluence of the above factors has: (i) resulted in a significant deterioration of the China Aoyuan Group's financial position, with the China Aoyuan Group's total revenue decreasing from approximately RMB32,510 million for the six-month period ended 30 June 2021 to approximately RMB10,941 million for the six-month period ended 30 June 2023; and (ii) affected the China Aoyuan Group's ability to sustain its existing capital structure.

## 6.2 The China Aoyuan Group's recent financial conditions and mitigating actions taken

- (a) Until these recent severe difficulties affecting the PRC real estate sector, the China Aoyuan Group had been consistently robust in its operating fundamentals and liquidity position and it has met its debt servicing obligations as they became due.
- (b) To improve the financial position of the China Aoyuan Group, the China Aoyuan Group's management has demonstrated its resolution and commitment to mitigating the effects of these recent adverse market conditions, including:
  - (i) implementing measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds;
  - (ii) negotiating with various onshore banks and financial institutions on the extensions for repayments and certain borrowings;
  - (iii) adjusting organisational structure to reduce management levels, enhance management efficiency and effectively control costs and expenses;
  - (iv) entering into branding and project management agreements with certain strategic partners in order to revitalise the sale of its projects in certain provinces;
  - (v) maintaining an ongoing dialogue with potential investors in relation to a recapitalisation as part of the implementation of a consensual debt restructuring; and
  - (vi) continuing to actively explore potential opportunities for asset disposal to create liquidity. In this regard, the China Aoyuan Group has undertaken the asset disposals summarised in section 10.4 (*Material contracts*) (including the disposal of 217,148,750 shares in Healthy Life on 17 July 2023 and the One Central Disposal) and has been engaged in ongoing dialogues with potential investors and partners for its urban redevelopment projects in the PRC.
- (c) Despite the best efforts of the China Aoyuan Group, the challenging market conditions as discussed above have reduced both the options and amount of financing available to the China Aoyuan Group to meet its short-term debt maturities and interest payments (including under the Existing Debt).

### 6.3 **Negotiations with Existing Noteholders and Existing Lenders and the appointment of Advisers**

- (a) In light of market conditions, and following a comprehensive consideration of the strategic options available to the Company, the Company formed the view that formulating a comprehensive restructuring with the Existing Noteholders and Existing Lenders was a top priority and would be the best option for all stakeholders of the China Aoyuan Group (including the Existing Noteholders and the Existing Lenders).
- (b) As disclosed in the Company's announcements dated 22 November 2021 and 5 August 2022, the Company appointed Linklaters as legal adviser, as well as KPMG as financial adviser to assist the Company in evaluating the liquidity position of the China Aoyuan Group and formulating a restructuring plan that would provide for a consensual resolution for all its stakeholders. In the announcements, the Company's offshore creditors were invited to contact the Company's advisers to initiate discussions in connection with the China Aoyuan Group's debt restructuring.
- (c) Together with its financial adviser and legal adviser, the Company has been involved in extensive negotiations and discussions with its major offshore creditors. These discussions were guided by the China Aoyuan Group's ongoing objective of implementing a holistic financial restructuring that would provide the China Aoyuan Group with a sustainable capital structure to deliver long term value for all of its stakeholders.
- (d) The successful restructuring of the Existing Debt will also provide the China Aoyuan Group with a stable platform to address the Onshore Bank and Other Borrowings through bilateral negotiations between the China Aoyuan Group and creditors under those financings.

### 6.4 **Standstill Agreement, announcement of Restructuring and Restructuring Support Agreement**

- (a) Further to such discussions, on 24 March 2023, the Company entered into a standstill agreement with the Ad Hoc Group to, among other things, provide the China Aoyuan Group with a stable platform whilst negotiations with its major offshore creditors on the terms of a holistic restructuring were ongoing. The Company entered into standstill agreements with other offshore creditors on substantially the same terms (together with the standstill agreement referred to above, the "**Standstill Agreement**") and as at 12 June 2023, offshore creditors representing approximately 63.88% of the aggregate outstanding principal amount of Existing Debt had entered into the Standstill Agreement with the Company.
- (b) On 30 June 2023, the Company agreed the key commercial terms of the Restructuring with the Ad Hoc Group as set out in the Term Sheets. On 10 July 2023, the Company entered into the Restructuring Support Agreement with the Ad Hoc Group. The Restructuring Support Agreement (details of which are set out below at section 6.6 (*The Restructuring Support Agreement*)) appended the Term Sheets setting out the key terms of the Restructuring.
- (c) Concurrently, the Company and its adviser were actively engaging with other holders of the Existing Debt (including the CoCom) on the terms of the Restructuring, and certain members of the CoCom have since acceded to the Restructuring Support Agreement.
- (d) On 11 July 2023, the Company announced the terms of the proposed Restructuring and invited other Existing Noteholders and Existing Lenders who had not executed the Restructuring Support Agreement to submit a duly executed accession letter to the Restructuring Support Agreement to support the Restructuring.

- (e) The Restructuring comprises the debt restructuring of the Existing Debt, pursuant to which the obligations of the Company and the members of the China Aoyuan Offshore Group arising, directly or indirectly, in relation to, or arising out of or in connection with, the Existing Debt, will be subject to a compromise and arrangement effected by the China Aoyuan Schemes and Add Hero Schemes, specifically:
  - (i) the obligations of Add Hero and members of the Add Hero Offshore Group in respect of the ICA Debt and the USD100m Noble Prestige Facility will be compromised pursuant to the Add Hero Schemes; and
  - (ii) the obligations of the Company and members of the China Aoyuan Offshore Group in respect of the ICA Debt and Non-ICA Debt will be compromised pursuant to the China Aoyuan Schemes, to the extent their obligations were not compromised pursuant to the Add Hero Schemes.
- (f) The Company believes that the successful implementation of the Restructuring (including through the China Aoyuan Schemes) will reduce the short-term debt burden of the Company and the wider Group, leaving them with a sustainable capital structure and a strengthened balance sheet that will allow the Company, Add Hero and the other entities within the China Aoyuan Group to comply with their post-restructuring obligations and liabilities and to trade on a going-concern basis.

#### **6.5 Creditor support for Restructuring**

- (a) As of the date of this Explanatory Statement, (i) holders of the ICA Debt representing more than 72% of the aggregate outstanding principal amount of the ICA Debt and (ii) holders of the Non-ICA Debt representing more than 22% of the aggregate outstanding principal amount of Non-ICA Debt have executed or acceded to the Restructuring Support Agreement. Scheme Creditors who have executed or acceded to the Restructuring Support Agreement are required, under its terms and subject to certain rights for such Scheme Creditors to terminate their participation in the Restructuring Support Agreement, to take all commercially reasonable actions within their power which they are reasonably requested by the Company to take to support the Restructuring and vote in favour of the China Aoyuan Schemes and Add Hero Schemes, subject to the terms of the Restructuring Support Agreement.
- (b) Scheme Creditors of the remaining outstanding Existing Debt are still encouraged to accede to the Restructuring Support Agreement, which will remain open for accession until the Record Date. However such Existing Noteholders and Existing Lenders are not eligible to receive any RSA Fees.

#### **6.6 The Restructuring Support Agreement**

Set out below is a summary of certain key terms of the Restructuring Support Agreement. A copy of the Restructuring Support Agreement is available on the Transaction Website. In the event of a conflict between the information and terms described in the following summary (or elsewhere in this Explanatory Statement) and the Restructuring Support Agreement, the terms of the Restructuring Support Agreement shall prevail. Unless otherwise indicated or defined in this Explanatory Statement, capitalised terms used in the following summary shall have the meanings given to those terms in the Restructuring Support Agreement.

- (a) Under the terms of the Restructuring Support Agreement, the Company undertakes to (and shall procure each member of the China Aoyuan Group to) (among other things):
  - (i) implement or otherwise give effect to the Restructuring, including the China Aoyuan Schemes and Add Hero Schemes, before the Longstop Date in the

manner envisaged by, and on materially the terms and conditions set out in, the Restructuring Support Agreement and the Term Sheet;

- (ii) use all reasonable endeavours to ensure that the Scheme Effective Date and the Restructuring is fully implemented on or before the Longstop Date;
  - (iii) use all reasonable endeavours to obtain any necessary regulatory or statutory approvals or authorisations required to permit or facilitate the Restructuring; and
  - (iv) use all reasonable endeavours to obtain all corporate approvals or authorisations necessary to implement the Restructuring in the manner envisaged by, and on the terms and conditions set out in, the Restructuring Support Agreement and the Term Sheets.
- (b) Under the terms of the Restructuring Support Agreement, each Consenting Creditor undertakes to (among other things):
  - (i) vote and deliver within any applicable time periods any proxies, instructions, directions or consents in respect of all of the Existing Debt in which it holds a beneficial interest as principal, including (without limitation) to vote in favour of the relevant Scheme in respect of the Existing Debt in which it holds a beneficial interest as principal at the Record Date at the relevant Scheme Meeting or any similar creditors' meeting held in respect of any parallel or similar process or arrangement in any relevant jurisdiction for the purpose of implementing all or any part of the Restructuring;
  - (ii) not formulate, encourage, procure or otherwise support any alternative proposal or alternate offer for the implementation of the Restructuring other than that contemplated by the Term Sheets or otherwise engaging in any such discussions which would delay or impede any approval for or confirmation of the Restructuring or otherwise delay, impede, frustrate or prevent the implementation of the Restructuring or the consummation of any transaction contemplated thereby;
  - (iii) not take, commence or continue any Enforcement Action, not direct or encourage any other person to take any Enforcement Action, and not vote or allow any proxy appointed by it to vote in favour of any Enforcement Action (noting that for the purposes of the foregoing, "Enforcement Action" has the meaning given to it in the Restructuring Support Agreement); and
  - (iv) not challenge or object to or support any challenge or objection to any term of any Scheme or any other restructuring process which the Company proposes, in order to implement the Restructuring, except to the extent that such term is materially inconsistent with the terms of the Restructuring Support Agreement or the Term Sheets.
- (c) Pursuant to and subject to the terms of the Restructuring Support Agreement, the Company shall pay or procure the payment of the following RSA Fees:
  - (i) an amount equal to 0.25% of the aggregate amount of its Eligible Restricted Debt (i.e. Restricted Debt which were made subject to the Restructuring Support Agreement on or prior to the RSA Fee Deadline (i.e. 5 p.m. Hong Kong time on 31 August 2023 or such later date as the Company may elect in its sole discretion)); and
  - (ii) Aoyuan New Notes in the principal amount equal to an Eligible Creditor's RSA Fee Eligible Proportion (i.e. in respect of an Eligible Creditor, the proportion of: (A) its Eligible Restricted Debt as at the Record Date; to (B)

the aggregate Eligible Restricted Debt held by all Eligible Creditors as at the Record Date, expressed as a percentage) multiplied by the US\$100,000,000 in principal amount of the Aoyuan New Notes to be set aside for the payment of the RSA Fees.

- (d) In order to be considered an Eligible Creditor and hence be eligible to receive the RSA Fees, a person must be a Consenting Creditor as at the Restructuring Effective Date and must:
  - (i) hold Early Eligible Restricted Debt at the Record Date, and that such Early Eligible Restricted Debt comprise: (A) Eligible Restricted Debt held by such person as at the RSA Fee Deadline; and/or (B) Early Eligible Restricted Debt which were acquired under a Transfer (or, if applicable, a series of Transfers) in accordance with clause 11 (*Additional Undertakings by the Consenting Creditors: transfer and related*) of the Restructuring Support Agreement;
  - (ii) have voted the entire aggregate amount of the Existing Debt held by it at the Record Date in favour of the Schemes at the relevant Scheme Meeting (whether in person or proxy);
  - (iii) have not exercised its rights to terminate the Restructuring Support Agreement as at the Restructuring Effective Date; and
  - (iv) not be in breach of its obligations under the Restructuring Support Agreement as at the Restructuring Effective Date.
- (e) The Restructuring Support Agreement will terminate immediately upon the occurrence of any of the following events:
  - (i) any court not granting a scheme sanction order in respect of any of the China Aoyuan Schemes and the Add Hero Schemes at the relevant scheme sanction hearings and there being no reasonable prospect of the Restructuring being effected prior to the Longstop Date;
  - (ii) the Restructuring Effective Date;
  - (iii) 11:59 p.m. Hong Kong time on the Longstop Date; and
  - (iv) an order of the court, in a final and unappealable decision, to wind-up the Company and/or Add Hero.
- (f) The Restructuring Support Agreement may also be terminated at any time:
  - (i) at the sole discretion of the Company, upon provision of written notice to Consenting Creditors, if the Company makes a reasonable, good-faith determination that there is no reasonable prospect of the Restructuring being effected prior to the Longstop Date;
  - (ii) by mutual written agreement of the Company and the Majority Initial Consenting Creditors;
  - (iii) in respect of a specific Consenting Creditor:
    - (A) at the election of the Company by the delivery of a written notice of termination by the Company to that Consenting Creditor, if that Consenting 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

10 Business Days of delivery of such notice of termination by the Company to the relevant Consenting Creditor and, any such termination shall, subject to law, be without prejudice to the rights of the Company to equitable remedies, including, but not limited to, specific performance in accordance with clause 17 (*Specific performance*) of the Restructuring Support Agreement;

- (B) at the election of that Consenting Creditor by and upon a written notice of termination to the Company if:
  - (I) there occurs material non-compliance with the Restructuring Support Agreement by the Company, unless the failure to comply is capable of remedy and is remedied within 10 Business Days of the date on which the Company is first notified by the Consenting Creditors that it has breached the relevant terms under the Restructuring Support Agreement;
  - (II) the Company proposes a Scheme that is not consistent in all material respects with the terms as set out in the Term Sheets (including as amended, if applicable); and
  - (III) entry into the Restructuring would put that Consenting Creditor in breach of any law or regulation applicable to it; or
- (C) if that Consenting Creditor sells, transfers, assigns or otherwise disposes of all of its Restricted Debt strictly in accordance with clause 11 (*Additional undertakings by the Consenting Creditors: transfer and related*) of the Restructuring Support Agreement;
- (iv) at the election of the Majority Initial Consenting Creditors by and upon a written notice of termination to the Company (which shall notify the other parties to the Restructuring Support Agreement), following the occurrence of any of the following:
  - (A) material non-compliance with the Restructuring Support Agreement by the Company, unless the failure to comply is capable of remedy and is remedied within 10 Business Days of the date on which the Company is first notified by the Majority Initial Consenting Creditors that it has breached the relevant terms under the Restructuring Support Agreement;
  - (B) the occurrence of an Insolvency Event in respect of the Company (other than one occurring at the instigation of, or on the application of, a party to the Restructuring Support Agreement (or any of its Affiliates, in each case acting in any capacity) purporting to terminate the Restructuring Support Agreement under paragraph (ii) of clause 13.2.4 of the Restructuring Support Agreement);
  - (C) the Company proposing a Scheme that is not consistent in all material respects with the terms as set out in the Term Sheets (including as amended, if applicable);
  - (D) any Scheme not being finally approved by the requisite statutory majorities of relevant Scheme Creditors at the relevant Scheme Meeting (provided that the relevant Scheme Meeting may be postponed or adjourned to a subsequent date in order to obtain the requisite approval);



- (E) any court rejecting, in a final and unappealable decision, the application to convene a Scheme Meeting in respect of any Scheme;
- (F) upon the occurrence of any fact, matter or circumstance, which, in the opinion of the Majority Initial Consenting Creditors acting reasonably, has or constitutes a material adverse effect;
- (G) if the Company does not comply with its obligations to pay the Adviser Fees in accordance with the fee arrangements that the Company has consented to in writing;
- (H) if any representation or warranty of the Company under the Restructuring Support Agreement proves to have been incorrect or misleading, in each case, in any material respect unless the circumstances giving rise to the misrepresentation or breach of warranty are capable of remedy and are remedied within 15 Business Days of any Initial Consenting Creditor delivering a notice to the Company alleging such misrepresentation or breach of warranty;
- (I) if the Company has finally determined, acting reasonably, and notified the Majority Consenting Creditors in writing, that the completion of the Restructuring by the Longstop Date is not possible (and, in each case, such notification shall be promptly provided by the Company following any such determination); or
- (J) if an order of a court of competent jurisdiction restraining or otherwise preventing the implementation of the Restructuring has been made and has not been revoked or dismissed within 30 days of it being made.

**6.7 Non-payments under the Existing Debt and action taken by certain Existing Lenders and Existing Noteholders**

- (a) As part of the implementation of the Restructuring, the China Aoyuan Group has been focused on ensuring, amongst other things, that: (i) all of its creditors are treated fairly; and (ii) the China Aoyuan Group is able to preserve as much liquidity as possible to fulfil the Board's fiduciary duties so that the China Aoyuan Group's stakeholders, including its financial creditors, are treated fairly and equitably.
- (b) To that end, and as noted in the Company's announcement on the HKEX on 19 January 2022, the Company decided that it would not make payments of principal and interest on certain of the Existing Notes. The China Aoyuan Group decided to not make payments of principal or interest in respect of its other offshore financial indebtedness, and subsequently defaulted on all of its offshore financial indebtedness. These events of default are continuing as of the date of this Explanatory Statement.
- (c) As a result of the foregoing, the following events occurred:
  - (i) Certain statutory demands have been served on the Company in respect of the Existing Debt which remain outstanding.
  - (ii) China CITIC Bank International Limited commenced proceedings against the Company in the HK Court in connection with the facility letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between the Company as borrower and China CITIC Bank International Limited as lender. These proceedings have in effect been stayed until 19

December 2023 by agreement of the parties to the proceedings. These proceedings are ongoing and no judgment has been entered against the Company.

- (iii) China Ping An Insurance Overseas (Holdings) Limited ("**Ping An**") commenced winding-up proceedings against Luck Gain Limited ("**Luck Gain**") in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region. Ping An subsequently agreed with Luck Gain to dismiss the winding-up petition by consent summons.
- (iv) Ping An commenced proceedings against, among others, Luck Gain and the Company, in the HK Court in connection with the USD200m Luck Gain Bonds. Ping An's application for summary judgment was heard on 18 September 2023 with the decision reserved. These proceedings are therefore ongoing and no judgment has been entered against the Company or Luck Gain.
- (v) Citibank, N.A. and Nine Masts Investment Fund commenced proceedings against Happy Team Investments Limited, an indirectly wholly owned subsidiary of the Company, and the Company in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region in connection with the USD200m Happy Team Facility. These proceedings were stayed until 30 June 2023 by way of consent order upon the agreement of the parties to the proceedings. These proceedings are ongoing and no judgment has been entered against the Company or Happy Team Investments Limited.
- (vi) Noble Prestige (Cayman) Limited obtained an arbitral award rendered by Shanghai International Economic and Trade Commission against Aoyuan Group Company Limited (奥园集团有限公司) in connection with the guarantee provided by Aoyuan Group Company Limited (奥园集团有限公司) in respect of the USD100m Noble Prestige Facility.

## 6.8 Discussions with certain holders of the Non-ICA Debt

Since early 2022, the Company has had an ongoing dialogue with various holders of the Non-ICA Debt. However, in or around 24 July 2023 (more than a week after the Company released an announcement on the Restructuring Support Agreement on 11 July 2023), certain holders of the Non-ICA Debt ("**Non-ICA AHG**") formally wrote to the Company to express their dissatisfaction with the terms of the Restructuring. The Company spent considerable time and resources to address the concerns of the Non-ICA AHG, which culminated in the Company co-operating with the advisors of the Non-ICA AHG to facilitate a confirmatory due-diligence exercise over the terms of the Restructuring. Since the confirmatory due-diligence exercise, the Company has not received any alternative proposal or terms from the Non-ICA AHG in respect of the China Aoyuan Schemes and/or the Add Hero Schemes.

On 19 October 2023, China Aoyuan received a Notice of Intention to Appear at Hearing filed by Ashurst on behalf of China Ping An Insurance Overseas (Holdings) Limited indicating its intention to oppose the Company's application in respect of the China Aoyuan HK Scheme.

## 6.9 Discussions with onshore creditors

For completeness, the Company notes that certain events of default (including cross-defaults) would, or may, have been triggered under certain of the China Aoyuan Group's Onshore Bank and Other Borrowings as a result of the defaults described at section 6.7 (*Non-payments under the Existing Debt and action taken by certain Existing Lenders and Existing Noteholders*).

The China Aoyuan Group has also proactively engaged and remains in continuous dialogue with its other onshore creditors. These creditors have not expressed any opposition to the Restructuring and/or the Scheme. The China Aoyuan Group is of the view that the successful implementation of the Restructuring (including the China Aoyuan Schemes and Add Hero Schemes) will facilitate a stable platform for the China Aoyuan Group's continued engagement with such creditors.

The China Aoyuan Group has been actively negotiating with holders of onshore bonds to extend the maturity of existing onshore bonds. As at 30 August 2023, the China Aoyuan Group has entered into contractual arrangements with certain holders of onshore bonds to extend the China Aoyuan Group's payment obligations in respect of approximately RMB7,464 million under certain onshore bonds. The China Aoyuan Group is also engaged in further negotiations with other onshore creditors regarding the extension of the maturity date under other onshore financing arrangements and have, as at 30 August 2023, entered into contractual arrangements with certain onshore financial institutions to extend the maturity of certain other onshore financing arrangements of approximately RMB19,751 million in principal amount.

The Company believes that the China Aoyuan Group will be able to extend the repayment period for its other existing onshore bonds and other onshore financing arrangements.

Under the terms of the Aoyuan New Notes and the Aoyuan Perpetuals, the Company shall use its best efforts to work with the China Aoyuan Group's creditors onshore the PRC in order (i) to extend the maturities and (ii) to reduce the interest expense of the outstanding Indebtedness of the China Aoyuan Group onshore the PRC. The Company shall procure that Aoyuan Group Company Limited (i) cure, acquire waivers in respect of or otherwise resolve any continuing defaults or events of default as of the Original Issue Date and (ii) acquire the rescission of any declaration of acceleration thereof prior to the date falling 36 months after the Restructuring Effective Date.

## 7. OVERVIEW OF THE RESTRUCTURING

This section 7 contains a brief overview of the Restructuring, including the China Aoyuan Schemes. The summary information contained herein does not purport to be complete and should be read in conjunction with, and is qualified in its entirety by reference to, the full text of the China Aoyuan HK Scheme (as set out in Appendix 2 (*China Aoyuan HK Scheme*)) and the China Aoyuan Cayman Scheme (as set out in Appendix 3 (*China Aoyuan Cayman Scheme*)) subject to any modification, addition or condition which the HK Court and/or Cayman Court may think fit to approve or impose, as appropriate.

In addition, Scheme Creditors who are eligible to participate in the Add Hero Scheme (i.e. persons with an economic or beneficial interest as principal in the Existing Public Notes (i.e. the Existing Public Noteholders), Existing Syndicated Facilities (i.e. the Existing Syndicated Facilities Lenders) and the USD100m Noble Prestige Facility (i.e. the USD100m Noble Prestige Lender)) are encouraged to read the explanatory statement in respect of the Add Hero Schemes.

### 7.1 Rationale for proposing two separate schemes of arrangement in respect of the Company and Add Hero

- (a) The Restructuring comprises the debt restructuring of the Existing Debt, pursuant to which the obligations of the Company and the members of the China Aoyuan Offshore Group arising, directly or indirectly, in relation to, or arising out of or in connection with, the Existing Debt will be subject to a compromise and arrangement, specifically:
  - (i) the obligations of Add Hero and members of the Add Hero Offshore Group in respect of the ICA Debt and the USD100m Noble Prestige Facility will be compromised pursuant to the Add Hero Schemes; and
  - (ii) the obligations of the Company and members of the China Aoyuan Offshore Group in respect of the ICA Debt and Non-ICA Debt will be compromised pursuant to the China Aoyuan Schemes, to the extent their obligations were not compromised pursuant to the Add Hero Schemes.
- (b) Persons with an economic or beneficial interest as principal in the ICA Debt (i.e. the Existing Public Noteholders and the Existing Syndicated Facilities Lenders) and the USD100m Noble Prestige Facility (i.e. the USD100m Noble Prestige Lender) will be entitled to participate in each of the China Aoyuan Schemes and the Add Hero Schemes. This is because both the Company and Add Hero are obligors under the ICA Debt and the USD100m Noble Prestige Facility.
- (c) Persons with a beneficial interest as principal in the Non-ICA Debt (excluding the USD100m Noble Prestige Facility) will only be entitled to participate in the China Aoyuan Schemes as the Company (but not Add Hero) is an obligor under the Non-ICA Debt.
- (d) It is appropriate for the holders of the ICA Debt and the USD100m Noble Prestige Facility to participate for the full value of their Scheme Claims in both the China Aoyuan Schemes and the Add Hero Schemes as a creditor is entitled to pursue each of the principal obligor and guarantor(s) for the full amount of the underlying debt until the underlying debt has been fully repaid.
- (e) Simply put, the scheme consideration from the China Aoyuan Schemes compensates the holders of the ICA Debt and the USD100m Noble Prestige Facility for their separately provable claims against the Company only, while the scheme consideration from the Add Hero Schemes compensates them for their claims against Add Hero. However, under no circumstances will the aggregate amount of the compensation received by the holders of the ICA Debt and the USD100m Noble

Prestige Facility pursuant to the China Aoyuan Schemes and the Add Hero Schemes equate to more than the full amount of their underlying debt as at the Restructuring Effective Date.

- (f) Moreover, the additional recoveries that the holders of the ICA Debt and the USD100m Noble Prestige Facility will receive from the scheme consideration in the Add Hero Schemes is a reflection of their structural priority (due to the ICA Collateral) over the other holders of the Non-ICA Debt.

## **7.2 Rationale for proposing parallel schemes of arrangement in Hong Kong and the Cayman Islands**

- (a) The indebtedness of the Company that is subject to the Restructuring is governed variously by the laws of England and Wales, Hong Kong, New York and the People's Republic of China. Therefore, the Company has proposed the parallel schemes of arrangement in Hong Kong and the Cayman Islands in order to achieve effective releases, discharges and/or compromises required to effect the Restructuring.
- (b) In particular, the Company highlights the following key considerations:
  - (i) The rule in *Gibbs*<sup>18</sup> states that, for the purposes of the laws of England and Wales and the laws of Hong Kong, the question of whether an obligation has been discharged is governed by its proper law. As such, the Company has proposed the China Aoyuan HK Scheme in order to achieve effective release, discharge and/or compromise of the indebtedness which is governed by the laws of Hong Kong.
  - (ii) The rule in *New Zealand Loan and Mercantile Agency Company Limited v. Morrison* (1898), which is applied in both the Cayman Islands and Hong Kong, provides that a scheme creditor is restricted from enforcing its scheme claims (regardless of the governing law of the underlying debt) in the jurisdiction where the scheme was sanctioned. As such, the Company has proposed the China Aoyuan Schemes in Hong Kong and the Cayman Islands to ensure that Scheme Creditors will not be entitled to enforce any of the Existing Debt against the assets of the Company which are located in Hong Kong or the Cayman Islands.
  - (iii) Given that certain Scheme Creditors have served statutory demands against the Company in the Cayman Islands (the place of the Company's incorporation), the Company considers that it is necessary to obtain a binding and effective order from the Cayman Court in order to prevent any Scheme Creditors from taking further enforcement actions in that jurisdiction.

## **7.3 Scheme of arrangement overview**

- (a) A scheme of arrangement is a formal procedure under sections 670, 673 and 674 of the Hong Kong Companies Ordinance and section 86 of the Cayman Companies Act which enables a company to agree with its creditors, or one or more classes of its creditors, a compromise or arrangement in respect of its debts or obligations owed to those creditors. The compromise or arrangement contemplated under the China Aoyuan Schemes is in respect of the Existing Debt (save for the China Aoyuan Scheme Excluded Liabilities) and the Existing Debt Finance Documents.

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<sup>18</sup> As established in the case of *Antony Gibbs & sons v La Société Industrielle et Commerciale des Métaux* (1890) ("*Gibbs*").

- (b) A scheme of arrangement requires the following to occur in order for it to become legally binding:
- (i) the convening of a meeting of the Company's creditors intended to be bound by the scheme of arrangement (or, as applicable, meetings of classes of its creditors intended to be bound by the scheme of arrangement) in accordance with directions given by the HK Court (in respect of the China Aoyuan HK Scheme) or the Cayman Court (in respect of the China Aoyuan Cayman Scheme);
  - (ii) at each meeting of such creditors of the Company, obtaining the approval of a majority in number present and voting at the meeting in person or by proxy, representing at least 75% in value of such creditors of the Company present and voting at the meeting in person or by proxy;
  - (iii) the approval of the HK Court (in respect of the China Aoyuan HK Scheme) and Cayman Court (in respect of the China Aoyuan Cayman Scheme) by the making of an order sanctioning the scheme of arrangement; and
  - (iv) the delivery of a sealed copy of such an order with the Hong Kong Companies Registry (in respect of the China Aoyuan HK Scheme Sanction Order) and the Cayman Registrar of Companies (in respect of the China Aoyuan Cayman Scheme Sanction Order).
- (c) Each of the HK Court and the Cayman Court will consider whether it is appropriate to convene one or more meeting(s) of scheme creditors and the composition of the class or classes necessary so as to ensure that the meeting(s) consist(s) of creditors whose rights against the Company which are to be released are not so dissimilar as to make it impossible for them to consult together with a view to their common interest.
- (d) Accordingly, the China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme will not be sanctioned by the HK Court (in respect of the China Aoyuan HK Scheme) or Cayman Court (in respect of the China Aoyuan Cayman Scheme) unless the relevant court in each case is satisfied that, among other things:
- (i) the Scheme Meeting was convened and held in accordance with the China Aoyuan HK Scheme Convening Order or the China Aoyuan Cayman Scheme Convening Order, as applicable;
  - (ii) the China Aoyuan HK Scheme or the China Aoyuan Cayman Scheme, as applicable, were approved by the requisite majorities of those who voted at the Scheme Meeting in person or by proxy; and
  - (iii) the China Aoyuan HK Scheme or the China Aoyuan Cayman Scheme, as applicable, is one which might reasonably be approved by an intelligent and honest man acting as a member of the class of creditors concerned and in respect of his interest,

and, in addition, either court will have regard to the following: (A) that the class of Scheme Creditors voting in respect of the China Aoyuan HK Scheme or the China Aoyuan Cayman Scheme (as applicable) was properly constituted; (B) that the provisions of the Hong Kong Companies Ordinance (in respect of the China Aoyuan HK Scheme) and the Cayman Companies Act (in respect of the China Aoyuan Cayman Scheme) have been complied with; (C) that the class of Scheme Creditors was fairly represented by those who attended the meeting and that the statutory majority was acting bona fide and was not coercing the minority in order to promote interests adverse to the Scheme Creditors (as a class of creditors); and (D) there is

no blot on the China Aoyuan HK Scheme or China Aoyuan Cayman Scheme (as applicable).

- (e) The China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme are inter-conditional upon each other. Therefore, the Scheme Effective Date for the China Aoyuan Schemes will only take place on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme. Upon the occurrence of the Scheme Effective Date, the China Aoyuan Schemes will bind all Scheme Creditors, including those creditors who voted in favour of the China Aoyuan Schemes, those creditors who voted against it, and those creditors who did not vote at all.
- (f) In addition, the China Aoyuan Schemes are inter-conditional upon the Add Hero Schemes. Therefore, the Restructuring Effective Date can only take place if the Add Hero Scheme Effective Date occurs and other conditions precedents are satisfied.
- (g) The remaining parts of this section 7 comprise a summary of certain key aspects of the China Aoyuan Schemes.

#### **7.4 Identity of Scheme Creditors**

- (a) The creditors who are bound by the terms of the China Aoyuan Schemes, if they become effective, are referred to in the China Aoyuan Schemes as Scheme Creditors. You will be a Scheme Creditor if you are a person who holds an economic or beneficial interest as principal in the Existing Debt.
- (b) In respect of the Existing Notes, the Existing Noteholders, as the beneficial owners of and/or the persons with the ultimate economic interest in the Existing Notes, are the persons with the "real" interest in the China Aoyuan Schemes, and accordingly they will be entitled to vote in respect of the China Aoyuan Schemes. For the avoidance of doubt, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Notes Common Depositaries (including any nominee(s) of each Existing Notes Common Depositary as registered holders of the Existing Notes) (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Notes) are Scheme Creditors, but (in accordance with their respective customary practices) they will not exercise any voting rights they may have in respect of the Existing Notes at the Scheme Meeting.
- (c) In respect of the Existing Loan, the Existing Lenders, who are the lenders of record or persons with a beneficial interest as principal in the Existing Loans, will be entitled to vote in respect of the China Aoyuan Schemes. For the avoidance of doubt, the Existing Loans Administrative Parties (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Loans) are Scheme Creditors, but (in accordance with their respective customary practices) they will not exercise any voting rights they may have in respect of the Existing Loans at the Scheme Meeting.

#### **7.5 Determination of Voting Scheme Claims**

- (a) Every Scheme Creditor whose vote is validly cast in person or by its authorised representative (if a corporation) or by proxy at the Scheme Meeting shall have one vote for every US\$1 of its Voting Scheme Claims (rounded down to the nearest US\$1) as calculated for voting purposes in accordance with section 7.5(b) below.

- (b) Subject to section 7.5(c) below, the amount of the Scheme Claims of each Scheme Creditor who submits (or has submitted on its behalf) a valid Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) will be calculated and admitted for voting purposes at the Scheme Meeting at a value equal to the sum of:
  - (i) the outstanding principal amount of the Existing Notes (in which each Scheme Creditor held an economic or beneficial interest as principal (without double counting)) and Existing Loans (in which each Scheme Creditor has a beneficial interest as principal) as at the **Record Date**; and
  - (ii) all accrued and unpaid interest relating to such Existing Notes and Existing Loans, in each case, up to (and including) the **Reference Date**.
- (c) The Chairperson may, for voting purposes only, reject a Voting Scheme Claim in whole or in part if the Chairperson considers that the relevant Scheme Creditor has not complied with the voting procedures described in the Solicitation Packet (as set out in Appendix 5 (*Solicitation Packet*)). If a Voting Scheme Claim is contingent, its value is unascertained or disputed, or is otherwise disputed, but the Chairperson is able to ascribe a just estimate of that Voting Scheme Claim, the Chairperson may admit the Voting Scheme Claim for voting purposes at the Scheme Meeting only at that value. If the Chairperson is otherwise unable to ascribe a just estimate of its value, that Voting Scheme Claim may be valued at US\$1 for voting purposes.
- (d) Please also see section 7.10 (*Determination and adjudication of Scheme Claims for purposes of distribution or allocation of Scheme Consideration Entitlement*) in relation to determination of Scheme Claims for the purposes of distribution or allocation of Scheme Consideration Entitlement.

#### 7.6 **Scheme class**

- (a) The China Aoyuan Schemes will proceed on the basis that Scheme Creditors constitute a single class of creditors of the Company.
- (b) The Company considers that it is appropriate for Scheme Creditors to vote in a single class meeting as the rights of the Scheme Creditors are sufficiently similar so as to make it possible for them to consult together with a view to their common interest. This is because of the following reasons.
  - (i) The HK Court and Cayman Court will consider both the existing legal rights of the Scheme Creditors against the Company and their rights against the Company in the relevant alternative in deciding whether the Scheme Creditors can consult together in a single class. In particular, both secured creditors and unsecured creditors of the Company can be said to have substantially the same rights against the Company and may be grouped in a single class, if the security provided to such secured creditors has minimal to no value.
  - (ii) In the event that the China Aoyuan Schemes fail, it is likely that the Company and other members of the China Aoyuan Group will enter into an insolvent liquidation. In those circumstances, although the holders of the ICA Debt have the benefit of a first priority lien over the shares of Add Hero that is granted by the Company, the Liquidation Analysis indicates that the lien over shares in Add Hero has no value as Add Hero itself is also insolvent. As a result, the Scheme Creditors would have substantially the same rights as against the Company and all Scheme Creditors (regardless of whether they hold ICA Debt or Non-ICA Debt) have an estimated return of 3.7% to 4.2% from the Company based on the Liquidation Analysis.



- (iii) If the China Aoyuan Schemes becomes effective in accordance with their terms, the existing rights of each Scheme Creditor against the Company under the Existing Debt (save for the China Aoyuan Scheme Excluded Liabilities) will be compromised in materially the same way as between themselves, and the Scheme Creditors have the same rights to receive the Scheme Consideration Entitlement under the China Aoyuan Schemes.
  - (iv) In all the circumstances, there is more to unite than divide all of the Scheme Creditors, so as to make any further classes unnecessary.
- (c) The Company has also considered whether the terms upon which the relevant RSA Fees were offered to those creditors who entered into or acceded to the Restructuring Support Agreement before a certain date, and agreed to vote in favour of the China Aoyuan Schemes pursuant to the Restructuring Support Agreement, should have an impact on the classification of creditors for the purposes of the China Aoyuan Schemes. The Company has considered that they do not, for the following reasons:
  - (i) all Existing Noteholders and Existing Lenders have been given an equal opportunity to accede to the Restructuring Support Agreement and therefore to become entitled to receive the RSA Fees; and
  - (ii) the RSA Fees are not material when compared to the predicted compensation that the Scheme Creditors will receive under the China Aoyuan Schemes. Therefore, it is unlikely that a Scheme Creditor who considered the substantive aspects of the China Aoyuan Schemes to be against their interests would be persuaded by virtue of the RSA Fees alone to enter into or accede to the Restructuring Support Agreement and to vote in favour of the China Aoyuan Schemes.
- (d) Further, the Company notes that, pursuant to the Term Sheets, certain Scheme Creditors will, in addition to the relevant RSA Fees, benefit from the payment by the Company of:
  - (i) the Adviser Fees; and
  - (ii) the Work Fees.
- (e) The total amount of the Adviser Fees and Work Fees represents less than 0.84% of the aggregate outstanding principal amount of the Existing Debt.
- (f) The Company considers that the Adviser Fees and Work Fees are appropriate to compensate the Ad Hoc Group, the CoCom and any other Scheme Creditor entitled to the Adviser Fees, and their respective advisers for the work, time and (where applicable) risks associated with negotiating the Restructuring, including the Ad Hoc Group restricting themselves from trading at various points during the Restructuring negotiation due to being in receipt of "material non-public information".
- (g) For completeness, the Company has considered whether the payment of the Adviser Fees and Work Fees have an impact on the constitution of classes of Scheme Creditors for the purposes of the China Aoyuan Schemes, and has concluded that it does not, for the following reasons:
  - (i) It is unlikely that a Scheme Creditor who is not eligible to receive the Work Fees would be persuaded to vote against (or a Scheme Creditor who is eligible to receive the Work Fees would be persuaded to vote for) the China Aoyuan Schemes by reason of the existence of the Work Fees because:
    - (A) the Work Fees only represent a minimal portion of the aggregate outstanding principal amount of the Existing Debt held or controlled by the

Ad Hoc Group and the CoCom; and (B) Scheme Creditors representing over 55% by value of the outstanding principal amount of the Existing Debt have already acceded to the Restructuring Support Agreement; and (C) the alternative of an insolvent liquidation would result in the Scheme Creditors receiving returns that are significantly lower than the anticipated returns under the China Aoyuan Schemes. In this context, the Work Fees are not a material factor.

- (ii) Payment of the Adviser Fees does not confer a benefit upon a member of the Ad Hoc Group, a member of the CoCom or any Scheme Creditor entitled to receive the Adviser Fees but instead represents a payment of costs necessarily incurred by them in undertaking that role and is typical and proportionate for a transaction of this kind.
- (iii) The Work Fees represent commercial compensation for the time and effort expended by the Ad Hoc Group and the members of the CoCom entitled to receive it in assisting to formulate the Restructuring (including the China Aoyuan Schemes and Add Hero Schemes) and the Term Sheets appended to the Restructuring Support Agreement which have better economic terms for the Scheme Creditors as compared to the terms of the Existing Debt.
- (iv) Cumulatively, payments of the Adviser Fees and the Work Fees are not material when compared to the predicted returns the Scheme Creditors will receive pursuant to the China Aoyuan Schemes.

Therefore, it is unlikely that a Scheme Creditor who considered the substantive aspects of the China Aoyuan Schemes to be against their interests would be persuaded by payment of the Adviser Fees and Work Fees to vote in favour of the China Aoyuan Schemes.

## 7.7 The Scheme Meeting

- (a) Before the China Aoyuan Schemes can become effective and binding on the Company and the Scheme Creditors, the China Aoyuan Schemes must be approved by the requisite majorities at the Scheme Meeting (as described above).
- (b) The Company has obtained the China Aoyuan HK Scheme Convening Order and China Aoyuan Cayman Scheme Convening Order, being an order from the HK Court and the Cayman Court (respectively) granting permission to convene a single meeting of the Scheme Creditors to consider and vote on the China Aoyuan Schemes.
- (c) For the avoidance of doubt, the Scheme Meeting held in respect of both the China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme will be held at a single meeting in accordance with the China Aoyuan HK Scheme Convening Order and China Aoyuan Cayman Scheme Convening Order.
- (d) Pursuant to the China Aoyuan HK Scheme Convening Order and China Aoyuan Cayman Scheme Convening Order, the Scheme Meeting will be held at the Linklaters Hong Kong Office at **8 p.m. Hong Kong time on 28 November 2023, the equivalent being 7 a.m. Cayman Islands time on 28 November 2023** with a live video conference linked to the Harneys Cayman Office at **7 a.m. Cayman Islands time on 28 November 2023**. Registration at the Scheme Meeting will commence at **6 p.m. Hong Kong time on 28 November 2023, the equivalent being 5 a.m. Cayman Islands time on 28 November 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case, any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account

Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid contact details).

- (e) Scheme Creditors will be able to attend the Scheme Meeting either in person, by a duly authorised representative (if a corporation) or by proxy provided that an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) has been validly submitted in relation to their Existing Debts. As Scheme Creditors will be able to attend in person at either the Linklaters Hong Kong Office or the Harneys Cayman Office to view the live video conference of the Scheme Meeting; therefore, references to attending and voting at the Scheme Meeting in person in this Notice should, as appropriate, be read as including attending at either the Linklaters Hong Kong Office or the live video conference at the Harneys Cayman Office.
- (f) Telephone and video conference facilities will also be made available to Scheme Creditors upon request to (i) the Information Agent at [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com) (for Scheme Creditors who are not Blocked Scheme Creditors); or (ii) the Blocked Scheme Creditor Tabulation Agent at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) (for Blocked Scheme Creditors), in each case, at least forty-eight (48) hours before the Scheme Meeting. Scheme Creditors who dial in by telephone or video conference facilities will only be able to observe the Scheme Meeting and to ask questions (but not to cast their vote). Scheme Creditors will be sent instructions for dialing in via telephone or video conference upon providing the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable) with satisfactory evidence of their identity and/or their authority (in the case of a corporation) to represent the Scheme Creditor.
- (g) Scheme Creditors do not have to personally attend the Scheme Meeting in order to express their vote, provided that they validly complete and submit their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) by the relevant deadlines, and appoint the Chairperson as their proxy, or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) for the purposes of expressing their vote.
- (h) For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they only observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy (including appointing the Chairperson as proxy) at the Linklaters Hong Kong Office or at the Harneys Cayman Office. Scheme Creditors who have validly completed and submitted their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) appointing the Chairperson as proxy or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) to express their vote, may in addition, request for the telephone and video conference facilities to observe the Scheme Meeting and to ask questions.
- (i) The Information Agent will process the Account Holder Letter of Scheme Creditors (who are not Blocked Scheme Creditors), while the Blocked Scheme Creditor Tabulation Agent will process the Blocked Scheme Creditor Forms of Blocked Scheme Creditors.
- (j) Each Scheme Creditor (or, if a corporation, its duly authorised representative) or its proxy intending to attend the Scheme Meeting in person at the Linklaters Hong Kong Office or at the Harneys Cayman Office: (i) will be required to register its attendance at the Scheme Meeting no later than half an hour prior to the scheduled start time of the Scheme Meeting; and (ii) must produce a duplicate copy of the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) validly completed and submitted by or on behalf of that Scheme Creditor

or Blocked Scheme Creditor (as applicable) together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk. If the appropriate personal identification and authorisation evidence is not produced, that person may not be permitted to attend, or vote at, the Scheme Meeting. If a Scheme Creditor appoints the Chairperson as its proxy, there is no need for the Chairperson to take the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) to the Scheme Meeting.

- (k) A Scheme Creditor who has indicated in the Account Holder Letter, Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) that it wishes to attend the Scheme Meeting in person or by proxy and has subsequently confirmed to the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable) that it is unable to attend in person or by proxy, and wishes to observe the Scheme Meeting via telephone or video conference facilities will be sent instructions for dialing in via telephone or video conference from the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable) to the contact information provided in the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable), upon the Information Agent or the Blocked Scheme Creditor Tabulation Agent (on behalf of an in consultation with the Company) being satisfied that the Scheme Creditor and/or the representing requesting the same has provided evidence of its identity and/or authority to represent the Scheme Creditor. For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they only observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy (including appointing the Chairperson as proxy) at the Linklaters Hong Kong Office or at the Harneys Cayman Office.
- (l) The Scheme Meeting will be chaired by Mr. Edward Simon Middleton, a managing director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong (or such other person(s) of Alvarez & Marsal Asia Limited as appropriate), and/or Mr. James William Hooper, a managing director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong (or such other person(s) of Alvarez & Marsal Asia Limited as appropriate) (the "**Chairperson**").
- (m) A Scheme Creditor's professional advisers will be allowed to attend the Scheme Meeting if that Scheme Creditor notifies the Chairperson of the name of such person(s) prior to the Scheme Meeting. The Chairperson will have the discretion to require any professional adviser to leave the Scheme Meeting if he/she considers this to be necessary (notwithstanding, for the avoidance of doubt, that such professional adviser(s)' attendance was notified to the Chairperson prior to the Scheme Meeting).
- (n) Any person with a Scheme Claim as at the Record Date will be entitled to attend and vote at the Scheme Meeting. The Existing Public Notes Trustee, Existing Common Collateral Agent and the Existing Notes Common Depositaries and their respective advisers will be entitled to attend the Scheme Meeting. For the avoidance of doubt (in accordance with their respective customary practices), the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent, the Existing Notes Common Depositaries (including any nominee(s) of each Existing Notes Common Depositary as registered holders of the Existing Notes) and the Existing Loans Administrative Parties will not exercise any voting rights that they may have in respect of the Existing Notes and Existing Loans (as applicable) at the Scheme Meeting.

- (o) The Chairperson will collate the votes from each Scheme Creditor (or their proxy) and Blocked Scheme Creditor and will add the votes during the Scheme Meeting, and in doing so, the Chairperson shall, in each case, rely on:
  - (i) the Account Holder Letters validly submitted by or on behalf of an Existing Noteholder (who is not a Sanctions-Affected Scheme Creditor), as verified by the Information Agent against the information provided in the Custody Instruction submitted via the Clearing System through which that Existing Noteholder holds its interest in the Existing Notes;
  - (ii) the Lender Proxy Forms validly submitted by the Existing Lenders (who are not Sanctions-Affected Scheme Creditors), as verified by the Information Agent against the record of Existing Lenders and the amounts owed to them maintained by the Existing Syndicated Facilities Administrative Parties (as applicable) and such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company; and
  - (iii) the Blocked Scheme Creditor Form validly submitted by Existing Lenders who are Blocked Scheme Creditors against the record of Existing Lenders and the amounts owed to them maintained by the Existing Syndicated Facilities Administrative Parties (as applicable) and such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company.

Under no circumstances will the Information Agent or the Blocked Scheme Creditor Tabulation Agent be required to verify or determine the eligibility of any Scheme Creditor or Blocked Scheme Creditor (as applicable) in relation to the China Aoyuan Schemes. The Company will then report to the Scheme Creditors as to whether the China Aoyuan Schemes have been approved.

- (p) The Company will cancel or procure the cancellation of any Existing Debt in which it or any other member of the China Aoyuan Group has a beneficial interest or which it or any other member of the China Aoyuan Group has redeemed, converted, acquired or purchased prior to the Record Date and any such Existing Debt will not be voted on at the Scheme Meeting.
- (q) Scheme Creditors should refer to the detailed instructions in relation to voting at the Scheme Meeting in section 9 (*Scheme Creditors and actions to be taken*) of, and Appendix 5 (*Solicitation Packet*) to, this Explanatory Statement.

**NOTE:** References to "Scheme Creditors" in section 7.7 (*The Scheme Meeting*) shall exclude Sanctioned Scheme Creditors. If you are a Sanctioned Scheme Creditor, please notify the Company immediately in writing of your status in accordance with clause 5.5 (*Sanctioned Scheme Creditors*) of the China Aoyuan Schemes.

## 7.8 Effectiveness of the China Aoyuan Schemes

- (a) **Court sanction of the Scheme**
  - (i) If the requisite majorities of the Scheme Creditors vote to approve the China Aoyuan Schemes at the Scheme Meeting:
    - (A) a hearing will be required before the HK Court to obtain sanction of the China Aoyuan HK Scheme by the HK Court (i.e. the China Aoyuan HK Scheme Sanction Hearing); and

- (B) a hearing will be required before the Cayman Court to obtain sanction of the China Aoyuan Cayman Scheme by the Cayman Court (i.e. the China Aoyuan Cayman Scheme Sanction Hearing).
  - (ii) Any Scheme Creditor is entitled (but not obliged) to attend the China Aoyuan HK Scheme Sanction Hearing and the China Aoyuan Cayman Scheme Sanction Hearing, through legal counsel, to support or oppose the sanction of the China Aoyuan Schemes. Scheme Creditors should be aware that they were afforded an opportunity to raise any issues in relation to the constitution of the Scheme Meeting at the China Aoyuan HK Scheme Convening Hearing and the China Aoyuan Cayman Scheme Convening Hearing, as stated in the practice statement letter dated 9 October 2023 sent to the Scheme Creditors. If Scheme Creditors have not already raised any such issues, the HK Court and the Cayman Court will expect any Scheme Creditor who wishes to do so at the China Aoyuan HK Scheme Sanction Hearing and China Aoyuan Cayman Scheme Sanction Hearing to show good reason why such issues were not raised at the China Aoyuan HK Scheme Convening Hearing and China Aoyuan Cayman Scheme Convening Hearing.
  - (iii) The China Aoyuan HK Scheme Sanction Hearing is presently listed to be heard at the HK Court at 10 a.m. Hong Kong time on 8 and 9 January 2024, the equivalent being 9 p.m. Cayman Islands time on 8 and 9 January 2024.
  - (iv) The China Aoyuan Cayman Scheme Sanction Hearing is presently listed to be heard at the Cayman Court at 10 a.m. Cayman Islands time on 7 December 2023, the equivalent being 11 p.m. Hong Kong time on 7 December 2023.
- (b) **Occurrence of the Scheme Effective Date**

Upon the (i) filing of a sealed copy of the China Aoyuan Cayman Scheme Sanction Order with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) registration of a sealed copy of the China Aoyuan HK Scheme Sanction Order with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme, whichever is later, the Scheme Effective Date will occur and the China Aoyuan Schemes (including any modifications to the China Aoyuan Schemes made in accordance with clause 16.1 (*Modification of this Scheme*) of the China Aoyuan Schemes) will become effective and binding on all Scheme Creditors, wherever they are and regardless of whether they have voted for or against the China Aoyuan Schemes or whether they have voted at all.

## 7.9 Effectiveness of Restructuring

### (a) Restructuring Conditions

- (i) The occurrence of the Restructuring Steps is subject to the occurrence of the Restructuring Conditions Satisfaction Time.
- (ii) The Restructuring Conditions Satisfaction Time will occur when all of the Restructuring Conditions have been satisfied or waived in accordance with clause 16.4 (*Waiver of provisions of this Scheme*) of the China Aoyuan Schemes (as applicable). Pursuant to clause 16.4 (*Waiver of provisions of this Scheme*) of the China Aoyuan Schemes, any Restructuring Condition may be waived with: (A) the consent in writing of the Majority Scheme Creditors; and (B) where the beneficiary of any clause being waived is not a Scheme Creditor, the consent in writing of that person or entity.

- (iii) The Restructuring Conditions under the China Aoyuan Schemes are:
- (A) the occurrence of the Scheme Effective Date;
  - (B) the occurrence of the Add Hero Scheme Effective Date;
  - (C) Add Hero having obtained an approval in principle for the listing of and quotation of the Add Hero Notes on the SGX-ST;
  - (D) the appointment of the Offshore Creditors' Director, provided that the nomination of the Offshore Creditors' Director shall be made and submitted by the Ad Hoc Group to the Company and Add Hero not less than 30 days prior to the Restructuring Effective Date, and such person shall satisfy the Offshore Creditors' Director Qualification Requirements;
  - (E) the Company having paid (or procured payment of) all professional fees and expenses of the Advisers, the Information Agent and the Scheme Administrators associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
  - (F) the Company and/or Add Hero having paid (or procured payment of) all Work Fees;
  - (G) the Company having paid (or procured payment of) all the RSA Fees (Cash Component) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors), who (i) are eligible to receive RSA Fees (Cash Component) in accordance with the terms of the Restructuring Support Agreement; and (ii) have provided, on or before the Voting Instruction Deadline, their validly completed Account Holder Letter or Lender Proxy Form (as applicable) setting out the payment details for the purpose of receiving the RSA Fees (Cash Component);
  - (H) the Company having paid (or procured payment of) all professional fees and expenses of the Existing Public Notes Administrative Parties and the Existing Syndicated Facilities Administrative Parties associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
  - (I) the Company having paid (or procured payment of) all fees and expenses of the Existing Notes Administrative Parties, the Existing Syndicated Facilities Administrative Parties and China Construction Bank (Asia) Corporation Limited in its capacity as Existing Loans Administrative Party (including, for the avoidance of doubt, any outstanding fees, expenses and indemnities under the terms of the Existing Notes Finance Documents, the Existing Syndicated Facilities Finance Documents and the Existing Loans Finance Documents (as applicable)) which are due and payable as at Restructuring Effective Date;
  - (J) the Company having obtained an approval in-principle for the listing of and quotation of the following instruments on the SGX-ST:
    - (I) Aoyuan New Notes;

- (II) Aoyuan MCB; and
- (III) Aoyuan Perpetuals;
- (K) the Company having obtained the requisite shareholder approval for the issuance of new share capital in the Company in accordance with the terms of the China Aoyuan Schemes;
- (L) all necessary consents, approvals or authorisations for the effectuation of this Scheme, the Add Hero BVI Scheme, the Add Hero HK Scheme, the China Aoyuan HK Scheme and the Restructuring having been obtained, including (without limitation):
  - (I) all corporate approvals required for the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals; and
  - (II) any and all necessary consents, approvals or authorisations from any and all relevant governmental bodies for the Restructuring and the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals, including in respect of registrations with the NDRC, which may be evidenced by way of:
    - 1) successful registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) with the NDRC;
    - 2) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) and the issuance by the NDRC of a written confirmation indicating that China Aoyuan's and/or Add Hero's application (as applicable) for registration of the same with the NDRC is unnecessary (不予受理通知书); or
    - 3) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable), and no written rejection has been issued by the NDRC on or before the Restructuring Effective Date (provided that no less than 30 days have elapsed since the submission of the application to the NDRC);
- (M) the satisfaction of any conditions precedent specified by the Existing Public Notes Administrative Parties in writing to the Company (which may be modified in writing by the Existing Public Notes Administrative Parties to the Company) in respect of the completion of any court or judicial process concerning the



effectiveness of the China Aoyuan Schemes and Add Hero Schemes in the relevant jurisdictions;

- (N) the satisfaction of each of the specific conditions precedent contained in each of the Restructuring Documents (as and to the extent applicable) unless otherwise waived by the relevant parties thereunder in accordance with the terms of the Restructuring Documents; and
- (O) the execution of each of the Restructuring Documents by or on behalf of each party thereto.

(b) **Restructuring Steps**

On the Restructuring Effective Date and subject to the occurrence of the Restructuring Conditions Satisfaction Time, the Restructuring Steps (being the steps, transactions and/or actions set out in clause 4.3.2 of the China Aoyuan Schemes) will occur in the order set out in the China Aoyuan Schemes (which order is also set out below for ease of reference) to the extent possible:

- (i) each Aoyuan New Notes Indenture, Aoyuan New Notes Paying Agent and Registrar Appointment Letter, Aoyuan MCB Trust Deed and Aoyuan Perpetuals Fiscal Agency Agreement shall be delivered from escrow and become effective in accordance with its terms;
- (ii) the Holding Period Trust Deed shall be delivered from escrow and become effective in accordance with its terms;
- (iii) the Company shall deliver from escrow:
  - (A) the Aoyuan New Notes Global Notes to the Aoyuan New Notes Trustee, the Aoyuan New Notes Paying Agent, the Aoyuan New Notes Registrar and the Aoyuan New Notes Common Depositary;
  - (B) the Aoyuan MCB Global Certificate to the Aoyuan MCB Trustee, the Aoyuan MCB Paying Agent, the Aoyuan MCB Registrar, the Aoyuan MCB Transfer Agent, the Aoyuan MCB Calculation Agent and the Aoyuan MCB Common Depositary;
  - (C) the Aoyuan Perpetuals Global Certificate to the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Paying Agent, the Aoyuan Perpetuals Registrar and Transfer Agent and the Aoyuan Perpetuals Common Depositary,

in each case along with: (I) the requisite instructions for their authentication; and (II) the requisite settlement instructions;

- (iv) the interests in the Aoyuan New Notes Global Notes, Aoyuan MCB Global Certificate and Aoyuan Perpetuals Global Certificate shall be credited as follows:
  - (A) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) who (i) are eligible to receive the RSA Fees (Aoyuan New Notes) in accordance with the terms of the Restructuring Support Agreement, in each case, to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);

- (B) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 5 (*Scheme Consideration Entitlements*) of the China Aoyuan Schemes and in such proportions consistent with each relevant Scheme Creditor's Aoyuan New Securities Entitlement, in each case to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly submitted Account Holder Letter or Lender Proxy Form (as applicable);
  - (C) in the case of the Blocked Aoyuan New Securities Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of the China Aoyuan Schemes including clause 8 (*Distribution to the Escrow Agent*) of the China Aoyuan Schemes, who will hold such Blocked Aoyuan New Securities Entitlement in accordance with the terms of the Escrow Agreement; and
  - (D) in the case of the Aoyuan New Securities Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 7 (*Holding Period Trustee*) of the China Aoyuan Schemes who will hold the relevant Unadmitted Entitlements on trust for the relevant Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;
- (v) the Aoyuan New Notes Security Document and the Aoyuan New Notes Collateral Agency Agreement shall be delivered from escrow and become effective in accordance with their terms;
- (vi) the Company to procure the Transfer Shares to be credited as follows:
- (A) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 5 (*Scheme Consideration Entitlements*) of the China Aoyuan Schemes and in such proportions consistent with each relevant Scheme Creditor's Transfer Shares Entitlement, in each case to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly submitted Account Holder Letter or Lender Proxy Form (as applicable);
  - (B) in the case of the Blocked Transfer Shares Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 7 (*Holding Period Trustee*) of the China Aoyuan Schemes who will hold such Blocked Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and
  - (C) in the case of the Transfer Shares Entitlement of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 7 (*Holding Period Trustee*) of the China Aoyuan Schemes who will hold the relevant Unadmitted Entitlements on trust for the relevant

Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;

- (vii) the Company shall issue the New Shares in scrip form to Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) subject to and in accordance with the provisions of the China Aoyuan Schemes, including clause 5 (*Scheme Consideration Entitlements*) of the China Aoyuan Schemes and in such proportions consistent with each relevant Scheme Creditor's New Shares Entitlement;
- (viii) to the extent not already previously delivered from escrow and effective as provided for above, the other duly executed Restructuring Documents (other than each Deed of Release) shall be delivered from escrow and become effective in accordance with their terms; and
- (ix) conditional on the completion of each of the steps outlined in clauses 4.3.2(i) to 4.3.2(viii) of the China Aoyuan Schemes, the following shall occur:
  - (A) each Deed of Release shall be delivered from escrow and become effective in accordance with each of their terms;
  - (B) the Company shall ensure that each of the Existing Public Notes Global Notes representing the Existing Public Notes is cancelled by the respective Existing Public Notes Paying Agents and shall give, and shall procure the giving of, all such instructions as are required to be given to the Existing Public Notes Trustees, the Existing Public Notes Common Depositaries and/or the Clearing Systems (as applicable) for such purpose; and
  - (C) the Company shall ensure that each of the Existing Syndicated Facilities, USD200m CCB Facility and USD200m Happy Team Facility is cancelled by the respective Existing Loans Administrative Parties (as applicable) and shall give, and shall procure the giving of, all such instructions as are required to be given to such Existing Loans Administrative Parties (as applicable) for such purpose.

(c) **Occurrence of the Restructuring Effective Date**

- (i) The Restructuring Effective Date shall be the date specified as the Restructuring Effective Date in the notice provided to Scheme Creditors and Existing Debt Administrative Parties in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date. The Restructuring Effective Date shall be subject to the occurrence of, and will be incapable of occurring (A) prior to, the Restructuring Conditions Satisfaction Time or (B) after the Longstop Date. The Company shall use all reasonable endeavours to procure that: (a) the Restructuring Conditions are satisfied as soon as reasonably practicable following the Scheme Effective Date; and (b) the Restructuring Effective Date occurs on or before the Longstop Date.
- (ii) If the Restructuring Effective Date has not occurred on or before the Longstop Date (as may be extended pursuant to clause 16.1 (*Modification of this Scheme*) of the China Aoyuan Schemes), the terms of, and obligations on the parties under or pursuant to, the China Aoyuan Schemes shall lapse and all compromises and arrangements provided for by the China Aoyuan Schemes shall have no force or effect in accordance with and subject to clause 15 (*Termination of Scheme*) of the China Aoyuan

Schemes, and any Restructuring Documents held in escrow shall be promptly destroyed by or on behalf of the Company and the rights and obligations of the Scheme Creditors shall not be affected and shall be reinstated and remain in full force and effect.

- (iii) Subject to compliance with clause 16.1 (*Modification of this Scheme*) of the China Aoyuan Schemes, the Company shall promptly deliver a notice (by posting such notice on the Transaction Website in accordance within clause 18 (*Notices*) of the China Aoyuan Schemes) confirming any Longstop Date Extension to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent) on the date on which the extension becomes effective.

**7.10 Determination and adjudication of Scheme Claims for purposes of distribution or allocation of Scheme Consideration Entitlement**

- (a) Upon their appointment on the Scheme Effective Date, the Scheme Administrators shall assess Scheme Claims for the purposes of determining Scheme Consideration Entitlements;
- (b) After completing their determination in accordance with section 7.10(a) above, the Scheme Administrators shall issue (or procure the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent to deliver electronically) a Scheme Claim Determination Notice to each Scheme Creditor who has submitted an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable):
  - (i) in respect of Scheme Claims submitted on or before the Voting Instruction Deadline, within five Business Days of the Scheme Effective Date; or
  - (ii) in respect of Scheme Claims submitted after the Voting Instruction Deadline but on or before the Bar Time, within five Business Days of the Bar Time.
- (c) To the extent permitted by applicable law, and subject to clause 6.3 of the China Aoyuan Schemes, any calculation and determination performed by the Scheme Administrators (or the Information Agent and Blocked Scheme Creditor Tabulation Agent, at the Scheme Administrators' direction) as set out in the Scheme Claim Determination Notice, on behalf of the Company, in accordance with this Scheme shall (in the absence of manifest error) be final and binding on each of the Scheme Creditors and the Company, unless a Scheme Creditor disputes the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim (such claim, a "**Disputed Scheme Claim**") by submitting a Disputed Scheme Claim Notice to the Scheme Administrators by 5 p.m. (Hong Kong time) on a date no later than five Business Days following its receipt of the Scheme Claim Determination Notice (for example, if a Scheme Claim Determination Notice is received by a Scheme Creditor on a Monday, a Disputed Scheme Claim Notice must be submitted on or before 5 p.m. (Hong Kong time) on the Monday of the following week). It is the responsibility of each Scheme Creditor to ensure that the Account Holder Letter and/or Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) submitted in respect of its Scheme Claim has been validly completed. None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person are required to monitor compliance or performance by the Company or the Scheme Creditors of their respective duties and obligations. It is the sole responsibility of each Scheme Creditor to ensure that any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) submitted in respect of its Scheme Claim has been validly completed, including the Accession Code, if applicable, and that any Custody

Instruction has been validly submitted via the Clearing Systems. None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person will be responsible for any loss or liability incurred by a Scheme Creditor as a result of any determination by the Scheme Administrators, the Chairperson, the Holding Period Trustee or the Blocked Scheme Creditor Tabulation Agent that the Account Holder Letter and/or Lender Proxy Form or Blocked Scheme Creditor Form have not been validly and duly completed.

- (d) Upon receipt of the Disputed Scheme Claim Notice, the Scheme Administrators and the relevant Scheme Creditor shall thereafter discuss in good faith with the view to resolve the Disputed Scheme Claim by agreement with the relevant Scheme Creditor during the Disputed Scheme Claim Resolution Period.
- (e) If a Scheme Creditor continues to dispute the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim and no agreement can be reached by the end of the Disputed Scheme Claim Resolution Period, the Scheme Creditor shall be entitled to apply in writing to the Adjudicator to review the Disputed Scheme Claim, provided that such application is:
  - (i) submitted by 5 p.m. (Hong Kong time) on the date which is no later than five Business Days following the end of the Disputed Scheme Claim Resolution Period (i.e. if the Disputed Scheme Claim Resolution Period ends on a Monday, a Scheme Creditor must apply in writing to the Adjudicator to review the Disputed Scheme Claim on or before 5 p.m. (Hong Kong time) on the Monday of the following week); and
  - (ii) made on the basis of the same grounds and supporting material set out in the Disputed Scheme Claim Notice.
- (f) Within 10 Business Days of being referred a Disputed Scheme Claim pursuant to clause 6.5 of the China Aoyuan Schemes, the Adjudicator shall:
  - (i) deliver the Adjudicator Decision on the basis of the documents received from the Scheme Administrators, the Company and/or the relevant Scheme Creditor, as applicable, by such time; and
  - (ii) provide a copy of the same to the Scheme Administrators, the Company and the relevant Scheme Creditor.
- (g) For the avoidance of doubt, the determination and adjudication process as set out in this section 7.10 shall only apply to the determination, distribution and/or allocation of Scheme Consideration Entitlement, and not for the purposes of determining the Voting Scheme Claims.

#### **7.11 Assignment and transfer of Scheme Claims**

If the China Aoyuan Schemes become effective, the identity of Scheme Creditors (and/or their Designated Recipients, as applicable) under the China Aoyuan Schemes, which are entitled to the Scheme Consideration Entitlement, shall be determined as at the Record Date. The Company, the Scheme Administrators, the Chairperson, the Blocked Scheme Creditor Tabulation Agent and the Information Agent shall not be under any obligation to recognise any assignment or transfer of Scheme Claims after the Record Date, provided that, where the Company has received from the relevant parties written notice of such assignment or transfer, the Company may in its sole and absolute discretion, and subject to the production of such evidence as it may reasonably require and to any other terms and conditions which the Company may consider necessary or desirable, agree to recognise such assignment or transfer for the purposes of determining Scheme Consideration Entitlements under the China Aoyuan Schemes. Any such assignee or transferee of

interests in the Existing Debt recognised by the Company shall be bound by the terms of the China Aoyuan Schemes as a Scheme Creditor and shall produce such evidence as the Company may reasonably require to confirm that it has agreed to be bound by the terms of the China Aoyuan Schemes.

For the avoidance of doubt, the Existing Private Notes will not be cancelled in the Clearing Systems on the Restructuring Effective Date and will be capable of being traded in the Clearing Systems after the Restructuring Effective Date. Where the Existing Private Notes are sold, assigned or transferred by an Existing Private Noteholder after the Restructuring Effective Date, the Existing Private Noteholder as at the Record Date shall remain entitled to receive the Scheme Consideration pursuant to the terms of the China Aoyuan Schemes (rather than the assignee, purchaser or transferee of the relevant Existing Private Notes).

## 7.12 Scheme Consideration Entitlement

- (a) Subject to the terms of the China Aoyuan Schemes, the Scheme Consideration Entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) and the Blocked Scheme Consideration Entitlement of each Blocked Scheme Creditor shall be calculated by the Scheme Administrators (in consultation with the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable)) in accordance with the formula set out below and clause 11.2 (*Fractional entitlements*) of the China Aoyuan Schemes and shall be distributed or allocated to such Scheme Creditor or Blocked Scheme Creditor (as applicable) in accordance with its validly completed Account Holder Letter, Lender Proxy Form and/or Blocked Scheme Creditor Form (as applicable).

Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Blocked Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB
Blocked Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB
Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
Blocked Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Blocked New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Transfer Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the Transfer Shares

Blocked Transfer Shares Entitlement = Scheme Consideration Pro Rata Proportion *multiplied by* the Transfer Shares

- (b) A Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) shall only receive its Scheme Consideration Entitlement on the Restructuring Effective Date if:
- (i) the Scheme Creditor (or its Account Holder on its behalf, as applicable) has submitted:
    - (A) in the case of the Existing Noteholder, its validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form (as applicable));
    - (B) in the case of the Existing Lender, its validly completed Lender Proxy Form (alongside a validly completed Designated Recipient Form (as applicable)); and
    - (C) such other information as is required by the Information Agent to be submitted (as set out in the Solicitation Packet) to the Information Agent (via the Scheme Portal); and
  - (ii) the Scheme Creditor (or its Designated Recipient, as applicable) is an Eligible Person and a validly completed Distribution Confirmation Deed has been submitted by it (or its Account Holder on its behalf, as applicable) to the Information Agent (via the Scheme Portal),

in each case, by no later than the Voting Instruction Deadline.

- (c) A Blocked Scheme Creditor shall: (i) be allocated its Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on the Restructuring Effective Date if it is a Blocked Scheme Creditor (Participating); and (ii) will only be entitled to receive its Blocked New Shares Entitlement in accordance with clause 4.4 (*Step 4: Actions after the Restructuring Effective Date*) of the China Aoyuan Schemes.
- (d) Scheme Creditors should refer to the instructions and guidance in respect of the steps required to be taken to receive their Scheme Consideration Entitlement in section 9 (*Scheme Creditors and actions to be taken*) of, and Appendix 5 (*Solicitation Packet*) to, this Explanatory Statement.
- (e) For the avoidance of doubt, Sanctioned Scheme Creditors shall have no entitlement to any Aoyuan New Notes, Aoyuan MCB, Aoyuan Perpetuals, New Shares or Transfer Shares pursuant to the China Aoyuan Schemes. Sanctioned Scheme Creditors are required to contact the Company in writing pursuant to the notice details set out at clause 18 (*Notices*) of the China Aoyuan Scheme to bring their status as a Sanctioned Scheme Creditor to the attention of the Company on or before the Bar Time.

#### 7.13 Scheme Creditor undertakings and releases

- (a) Subject to clause 12.5 of the China Aoyuan Schemes (as described below) and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for

the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, all of the rights, title and interest of:

- (i) each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities); and
- (ii) the Existing Debt Administrative Parties to any claims they have or may have under the Existing Debt Finance Documents or any parallel debt covenants (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of the China Aoyuan Schemes and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assignees (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claims after the Record Date).

- (b) Subject to clause 12.5 of the China Aoyuan Schemes and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor (to the extent it has not already done so pursuant to clause 12.1 of the China Aoyuan Schemes in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

- (i) the China Aoyuan Offshore Group; and
- (ii) each of the following (in each case, in its or their capacity as such): (I) the Advisers; (II) any Director; (III) the Scheme Administrators and their Affiliates; (IV) the Chairperson; (V) the Information Agent and its Personnel and Affiliates; (VI) the Blocked Scheme Creditor Tabulation Agent; (VI) the Existing Debt Administrative Parties; (VIII) the Aoyuan New Securities Administrative Parties; (IX) the Holding Period Trustee; (X) the Adjudicator; (XI) the Ad Hoc Group; (XII) the CoCom; (XIII) the Escrow Agent; and/or (XIV) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (I) the Existing Debt Finance Documents and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents; (II) the Scheme Claims; and/or (III) the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes and/or the Restructuring, including the carrying out of the steps and transactions contemplated in the China Aoyuan Schemes (including, without limitation, the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

- (c) Subject to clause 12.5 of the China Aoyuan Schemes and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in



clause 4.3.2(ix) of the China Aoyuan Schemes, the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest, costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its Personnel, Affiliates and advisers and the Advisers in relation to or arising out of or in connection with: (A) the Existing Debt Finance Documents; or (B) the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring, including the carrying out of the steps and transactions contemplated by the China Aoyuan Schemes in accordance with their terms (including, without limitation, of the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

- (d) Subject to clause 12.5 of the China Aoyuan Schemes and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:
  - (i) the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);
  - (ii) the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or
  - (iii) the execution of the China Aoyuan Schemes, the Restructuring Documents or any other documents required in order to implement the China Aoyuan Schemes, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in the China Aoyuan Schemes,

including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

- (e) The releases and undertakings described above shall not:
- (i) in any way impair or prejudice any rights of any Scheme Creditor arising under the China Aoyuan Schemes or any Restructuring Document (including as a consequence of non-compliance with the terms of the China Aoyuan Schemes or the Restructuring Documents);
  - (ii) (without prejudice to the generality of clause 12.5.1 of the China Aoyuan Schemes) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the China Aoyuan Scheme and/or any Restructuring Documents;
  - (iii) extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;
  - (iv) apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to, under or in connection with the Existing Debt Finance Documents, the China Aoyuan Schemes or the Restructuring;
  - (v) apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring; or
  - (vi) release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indenture to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

- (f) Pursuant to clause 3.5 of the China Aoyuan Schemes, each Scheme Creditor (for itself and, if applicable, for its Designated Recipient and any person to whom a Scheme Creditor has transferred its rights in respect of its Scheme Claim after the Record Date) on and from the Restructuring Effective Date irrevocably ratifies and confirms any act or omission done, caused or purported to be done by the Company, any of the Advisers, each of the Existing Debt Obligors, each of the Aoyuan New Notes Obligors, each of the Existing Debt Administrative Parties, each of the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, each of the Deed of Subordination Parties and the Holding Period Trustee, or any of their respective directors, managers, officers, partners or Affiliates, pursuant to or for the purposes of giving effect to this Scheme, other than any act or omission done or made as a result of fraud, wilful default or wilful misconduct.

- (g) The waivers, releases and discharges granted under clause 12 (*Releases and waivers*) of the China Aoyuan Schemes shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.
- (h) Each Scheme Creditor and/or Account Holder unconditionally and irrevocably waives and releases any claims which may arise against the Information Agent from all actual or potential liability, arising, directly or indirectly, in each case, in relation to the Information Agent's performance of its roles and all other actions which they may take in connection with the Scheme, save for any liability resulting from the Information Agent's own fraud or wilful misconduct.
- (i) Each Blocked Scheme Creditor unconditionally and irrevocably waives and releases any claims which may arise against the Blocked Scheme Creditor Tabulation Agent from all actual or potential liability, arising, directly or indirectly, in each case, in relation to the Blocked Scheme Creditor Tabulation Agent's performance of its roles and all other actions which they may take in connection with the Scheme, save for any liability resulting from the Blocked Scheme Creditor Tabulation Agent's own fraud or wilful misconduct.

#### 7.14 **Scheme Administrator**

- (a) On the Scheme Effective Date, the Scheme Administrators shall be appointed, with the powers, rights, duties and functions conferred upon them jointly and severally by the China Aoyuan Schemes.
- (b) The Company acknowledges and agrees that each Scheme Administrator is permitted to exercise all the powers given to the Scheme Administrators and rely upon all the provisions relevant to the Scheme Administrators under the China Aoyuan Schemes.
- (c) The Scheme Administrators shall discharge the duties and responsibilities imposed upon the Scheme Administrators by the China Aoyuan Schemes.
- (d) The Scheme Administrators shall have the right and power, either in their own name or as agents of the Company or otherwise and in such manner and upon such terms and conditions as they think fit, and either alone or jointly:
  - (i) to have full access to all such information contained or represented in any format whatsoever in the possession or under the control of the Company as they may from time to time require in order to evaluate the Scheme Claims submitted by Scheme Creditors to the Information Agent and Blocked Scheme Creditor Tabulation Agent;
  - (ii) to employ and remunerate accountants, actuaries, lawyers and other professional advisers or agents (including their partners and the partners and staff of all associated firms, associations and companies or their successors or any of them) in connection with the evaluation by the Scheme Administrators of Scheme Claims, at the costs of the Company;
  - (iii) to delegate in writing to any person all or any of the powers and discretion conferred upon the Scheme Administrators under the China Aoyuan Schemes, and from time to time to revoke any such delegation, provided that the Scheme Administrators shall be personally responsible for any act or omission of any such delegate to the same extent as if he/she had expressly authorised it;
  - (iv) to apply to the HK Court and the Cayman Court (as applicable) for directions in relation to any particular matter arising under, or in the course

of the operation of, the China Aoyuan Schemes, at the costs of the Company;

- (v) to make any payment and distributions which is necessary or incidental to the performance of their functions;
  - (vi) to do all other things incidental to the exercise of the foregoing powers; and
  - (vii) to exercise any other powers necessary for or incidental to the full and proper implementation of their obligations under the China Aoyuan Schemes.
- (e) Except in the case of fraud, wilful default or wilful misconduct, the Scheme Administrators will not be liable to the Company or any Scheme Creditor for any act or omission by the Scheme Administrators in the performance or purported performance of their powers, rights, duties and functions under the China Aoyuan Schemes.
- (f) Except to the extent permitted by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by a Scheme Administrator in accordance with, and to implement, the provisions of the China Aoyuan Schemes, or the exercise by a Scheme Administrator in good faith of any power conferred upon him or her for the purposes of the China Aoyuan Schemes, if exercised in accordance with, and to implement, the provisions of the China Aoyuan Schemes.

#### 7.15 **Adjudicator**

- (a) In the event a Scheme Creditor files a Disputed Scheme Claim Notice in accordance with clause 6.3 (*Determination of Scheme Claims*) of the China Aoyuan Schemes, the Company shall: (i) appoint a Qualified Person to be an Adjudicator; and (ii) give a written notice to the Scheme Creditors of any such appointment(s) and the contact details of each Adjudicator so appointed.
- (b) In exercising his powers and carrying out his duties and functions under the China Aoyuan Schemes, the Adjudicator:
- (i) shall act as an expert, and not as an arbitrator, with respect to all matters referred to him or her under clause 6.5 (*Adjudication of Disputed Scheme Claims*) of the China Aoyuan Schemes;
  - (ii) shall act in good faith and with due care and diligence with a view to making an independent adjudication and the final determination of Disputed Scheme Claims referred to them in accordance with the terms of the China Aoyuan Schemes; and
  - (iii) shall at all time exercise his or her powers under the China Aoyuan Schemes for the purpose of ensuring that they are implemented in accordance with their terms.
- (c) The Adjudicator shall have the powers, duties and functions, and the rights, conferred upon him in accordance with clauses 6.8 and 6.9 (*Adjudication of Disputed Scheme Claims*) of the China Aoyuan Schemes.
- (d) Except in the case of fraud, wilful default or wilful misconduct, the Adjudicator will not be liable to the Company or any Scheme Creditor for any act or omission by the Adjudicator in the performance or purported performance of his powers, rights, duties and functions under the China Aoyuan Schemes.

- (e) Except to the extent required by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by the Adjudicator in accordance with, and to implement, the provisions of the China Aoyuan Schemes, or the exercise by the Adjudicator in good faith of any power conferred upon him or her for the purposes of the China Aoyuan Schemes, if exercised in accordance with, and to implement, the provisions of the China Aoyuan Schemes.

#### **7.16 Recognition of the China Aoyuan HK Scheme**

If: (a) the China Aoyuan Schemes are sanctioned by the HK Court and Cayman Court; and (b) the Company considers it necessary or appropriate, depending on the prevailing circumstances at the time, and following consultation with relevant legal counsel, the Company may (on or after the Scheme Effective Date) make an application on behalf of the Company in connection with any application for recognition and assistance in relation to any of the China Aoyuan Schemes in any jurisdiction and under whatever law, including (without limitation) any other law derived from or similar to the UNCITRAL Model Law on Cross-Border Insolvency.

#### **7.17 Modification to the China Aoyuan Schemes**

- (a) Pursuant to clause 16.1 (*Modification of this Scheme*) of the China Aoyuan Schemes, the Company may at any time before the occurrence of the earlier of the Restructuring Effective Date, the Longstop Date or the termination of this Scheme, amend the Longstop Date (whether pursuant to a single extension or multiple extensions), provided that:
  - (i) the Majority Scheme Creditors vote in favour of such Longstop Date Extension, whether in person or by proxy, at a meeting of the Scheme Creditors or otherwise; and
  - (ii) the Company gives the Scheme Creditors no less than 14 calendar days' prior written notice of such meeting in accordance with clause 18 (*Notices*) of the China Aoyuan Schemes.
- (b) If any Scheme Creditor fails to respond to a request made in accordance with clause 16.1 (*Modification of this Scheme*) of the China Aoyuan Schemes for an extension to the Longstop Date at a meeting of the Scheme Creditors or otherwise, then, for the purpose of determining if the Majority Scheme Creditors have consented to an extension to the Longstop Date, then such Scheme Creditor's Existing Debt shall not be included for the purpose of calculating the value of the aggregate principal amount of the Scheme Claims held by the Scheme Creditors.
- (c) On the identification of a Sanctioned Scheme Creditor, including where a Scheme Creditor becomes a Sanctioned Scheme Creditor while the China Aoyuan Schemes are in effect:
  - (i) the Company may modify the China Aoyuan Schemes and/or any Restructuring Document to the extent reasonably necessary and in a manner to ensure that the Scheme is not contrary to any Applicable Sanctions (and is authorised to instruct the Existing Debt Administrative Parties and any other administrative party as required, in order to achieve the same); and
  - (ii) each of the Aoyuan New Securities Administrative Parties and any other administrative party as required, is authorised to make any amendment to the Aoyuan New Securities Documents and take any action necessary or desirable to give effect to a modification to such Aoyuan New Securities Documents on and following written notice from the Company that such

modification is reasonably necessary to ensure that the Scheme is not contrary to the Applicable Sanctions, which the Aoyuan New Securities Administrative Parties and any other administrative party as required are entitled to rely on conclusively.

- (d) Each Scheme Creditor acknowledges that the Company may have, before or at any hearing of the HK Court or the Cayman Court to sanction the China Aoyuan HK Scheme or China Aoyuan Cayman Scheme, consented on behalf of all Scheme Creditors to any modification of, or addition to, (i) the proposed China Aoyuan HK Scheme (as appended at Appendix 2 (*China Aoyuan HK Scheme*)), China Aoyuan Cayman Scheme (as appended at Appendix 3 (*China Aoyuan Cayman Scheme*)) or and/or any Restructuring Document (in the form set out in this Explanatory Statement) or (ii) to any terms or conditions that the Hong Kong Court and/or Cayman Court saw fit to approve or impose, provided that such modifications, or additions were otherwise necessary for the purpose of implementing the Restructuring, and could not have reasonably been expected to, directly or indirectly, have a material adverse effect on the interests of any Scheme Creditor.

#### 7.18 Other aspects of the China Aoyuan Schemes

- (a) **Third-party support for the China Aoyuan Schemes**

Certain parties, including the other Existing Debt Obligors, the Information Agent and the Existing Public Notes Trustee will each execute and deliver an undertaking deed pursuant to which they will agree to: (i) be bound by the China Aoyuan Schemes on and from the Scheme Effective Date; and (ii) execute or procure to be executed all such documents, and to do or procure to be done all such acts and things, as may be reasonably necessary or desirable to be executed or done by them, as described in the China Aoyuan Schemes.

- (b) **Stay of proceedings**

Under the China Aoyuan Schemes:

- (i) from the Scheme Effective Date, but subject to the termination of the China Aoyuan Schemes pursuant to clause 15 (*Termination of Scheme*) of the China Aoyuan Schemes or otherwise, no Scheme Creditor shall commence, continue, support any person commencing, or instruct any other person to commence or continue or take, any Proceeding against any Restructuring Released Party in respect of any claims or Liabilities that are to be released in accordance with clause 12 (*Releases and waivers*) of the China Aoyuan Schemes and the Deeds of Release, provided that nothing in clause 14 (*Stay of Proceedings*) of the China Aoyuan Schemes shall prevent a Scheme Creditor from pursuing or taking any action in relation to an Allowed Proceeding; and
- (ii) for the avoidance of doubt, and notwithstanding any other provision of the China Aoyuan Schemes or the Deeds of Release:
  - (A) subject to any applicable contractual restrictions, a Scheme Creditor may commence a proceeding against the Company after the Restructuring Effective Date in respect of claims or Liabilities that are not to be released in accordance with clause 12 (*Releases and waivers*) of the China Aoyuan Schemes and the Deeds of Release; and
  - (B) a Scheme Creditor may commence a proceeding against the Company to compel the Company to perform its obligations under the China Aoyuan Schemes.

(c) **Costs and expenses relating to the Restructuring**

Pursuant to clause 17 (*Costs and expenses*) of the China Aoyuan Schemes, the Company agrees to be responsible for and shall pay all fees, costs and expenses properly incurred by the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Holding Period Trustee, the Scheme Administrators, the Chairperson, the Adjudicator, the Information Agent and the Blocked Scheme Creditor Tabulation Agent, in connection with any and/or all actions taken or which shall be taken pursuant to the China Aoyuan Schemes, including (without limitation) any and/or all actions taken or which shall be taken pursuant to the Restructuring Steps and the distribution of the Scheme Consideration Entitlements (provided that, with respect to each party, the relevant fees, costs and expenses have been incurred in accordance with the Existing Debt Finance Documents or such other arrangement as may have been agreed between the Company and that party). A high-level breakdown of the estimated costs and expenses of the Company and Add Hero relating to the Restructuring is set out in Appendix 15 (*Estimated Restructuring costs and expenses*).

**7.19 Termination of Scheme**

If the Restructuring Effective Date has not occurred, and, among other conditions set out in clause 15.1 of the China Aoyuan Schemes, the China Aoyuan HK Scheme or the China Aoyuan Cayman Scheme (as applicable) becomes incapable of being implemented and the Restructuring Effective Date is incapable of occurring before the Longstop Date (as may be modified in accordance with clauses 16.1 to 16.3 of the China Aoyuan Schemes (*Modification of this Scheme*)) following the occurrence of any of the events set out in clause 15.1.2 of the China Aoyuan Schemes, including:

- (a) an Insolvency Event;
- (b) a change in law or regulation in respect of any matter, including any change which results in there being no reasonable prospects of the Company and/or China Aoyuan successfully registering and/or filing an application in respect of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB, the Aoyuan Perpetuals and the New Shares with the NDRC and/or CSRC (as applicable), occurs; and
- (c) any consent, approval or authorisation necessary for the effectuation of the China Aoyuan Schemes has been rejected in writing (or otherwise refused or denied), and there are no reasonable prospects of such consent, approval or authorisation being obtained, or the Company is unable to comply with conditions necessary to obtain such consent, approval or authorisation, including rejection in writing by the NDRC of the Company's application for registration of the Aoyuan New Securities (as applicable),

then the China Aoyuan HK Scheme or China Aoyuan Cayman Scheme (as applicable) shall terminate and shall be construed as if it had never become effective, and the rights and obligations of the Scheme Creditors under the Existing Debt Finance Documents shall not be affected and shall remain in full force and effect, and each Scheme Creditor shall be entitled to exercise any and all of its rights, powers and remedies against the Company under the terms and conditions of the Existing Debt Finance Documents and the Restructuring Support Agreement.

## 8. SUMMARY OF THE AOYUAN NEW SECURITIES

8.1 The terms of the Aoyuan New Securities will be set out in the respective Aoyuan New Finance Documents.

8.2 A summary of the principal terms of each Aoyuan New Finance Document is set out in this section. The following is not intended to be complete and is subject to important limitations and exceptions. Scheme Creditors are urged to refer to the form of the Aoyuan New Finance Documents appended at Appendix 11 (*Form of Aoyuan New Notes Indenture*), Appendix 12 (*Form of Aoyuan MCB Trust Deed*) and Appendix 13 (*Form of Aoyuan Perpetuals Fiscal Agency Agreement*), respectively. Unless otherwise indicated or defined in this Explanatory Statement, all capitalised terms used in the following summary shall have the meanings given to those terms in the respective Aoyuan New Finance Documents.

8.3 Summary of the Aoyuan New Notes Indenture

Principal Terms of the Aoyuan New Notes Indenture	
<b>Issuer</b>	China Aoyuan Group Limited (中國奧園集團股份有限公司).
<b>Principal Amount</b>	US\$500,000,000
<b>Maturity/Principal Repayment</b>	<p>Eight years from the Reference Date.</p> <p>The outstanding principal amount shall be repaid on maturity, together with any accrued and unpaid interest.</p>
<b>Interest</b>	<p>The Aoyuan New Notes shall accrue on the Interest Accrual Basis from the Reference Date, at the interest rate of 5.5% <i>per annum</i> payable semi-annually.</p> <p>The Aoyuan New Notes shall be payable entirely in paid-in-kind interest (such interest, "PIK Interest") by increasing the principal amount of the Aoyuan New Notes by the amount of such PIK Interest accrued for such interest period, unless the Company elects by giving notice in writing to pay all or a portion of such interest in cash (such interest, "Cash Interest") instead of PIK Interest.</p> <p>The first Interest Payment Date falls six months after the Reference Date.</p>
<b>Security</b>	The Custodian Account and the Healthy Life Shares standing to the credit of that Custodian Account.
<b>Mandatory Redemption</b>	The Company shall negotiate, agree, enter into and consummate one or more Healthy Life Sale(s), in each case at a price equivalent to a price per Healthy Life Share of no less than 85% of the 30 Trading Day Volume Weighted Average Price of the Healthy Life Shares, such that on or before the date falling two years after the Restructuring Effective Date, the Company shall have disposed of all Healthy Life Shares it directly or indirectly holds. The Healthy Life Net Proceeds shall be used only in accordance with the following paragraph.



	<p>The Company shall immediately deposit any Healthy Life Net Proceeds received by it into the Healthy Life Net Proceeds Designated Account. Notwithstanding anything to the contrary, within 45 business days of and including the date on which the balance of the Healthy Life Net Proceeds Designated Account exceeded US\$20 million, the Company shall apply all funds then held in the Healthy Life Net Proceeds Designated Account to redeem the then outstanding Aoyuan New Notes at a redemption price equal to 100% of the Accreted Value, plus accrued and unpaid interest, if any, on such redeemed Notes up to but excluding the relevant redemption date, on a pro rata basis.</p>
<b>Optional redemption</b>	<p>Notwithstanding anything to the contrary, the Company may, at its sole discretion, use any Other Net Proceeds to make an Offer to Purchase the Aoyuan New Notes by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per US\$1.00 of Notes of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate; provided that no such Offer to Purchase may be made until the Add Hero Notes have been fully repaid, redeemed or repurchased in accordance with the terms thereof.</p> <p>To the extent that any Other Net Proceeds remain unused after 45 business days of commencing the reverse Dutch auction under the preceding paragraph, the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Aoyuan New Notes, in whole or in part, at a redemption price equal to 100% of the Accreted Value thereof plus accrued and unpaid interest, if any, on the Aoyuan New Notes redeemed to (but not including) the redemption date.</p>
<b>Undertaking to work with creditors onshore the PRC</b>	<p>The Company shall use its best efforts to work with the China Aoyuan Group's creditors onshore the PRC in order (i) to extend the maturities and (ii) to reduce the interest expense of the outstanding Indebtedness of the China Aoyuan Group onshore the PRC. The Company shall procure that Aoyuan Group Company Limited (i) cure, acquire waivers in respect of or otherwise resolve any continuing defaults or events of default as of the Original Issue Date and (ii) acquire the rescission of any declaration of acceleration thereof prior to the date falling 36 months after the Restructuring Effective Date.</p>
<b>Subordination of Intercompany claims</b>	<p>The Company shall not make any payment to repay, redeem, repurchase or retire for value, set off or otherwise settle (collectively "<b>settle</b>"), any Intercompany Claims of any Restricted Subsidiaries against the Company; provided, however, that this prohibition shall not extend to any Intercompany Claims which are settled by operation of law.</p>
<b>Covenants and other Conditions</b>	<p>Customary covenants and other conditions, which, in certain circumstances, are reasonably tightened compared to the existing</p>

	contractual protections under the existing indentures and finance documents in respect of the Existing Debt.
<b>Events of Default</b>	Subject to certain exceptions as set out in Section 6.01 ( <i>Events of Default</i> ) of Appendix 11 ( <i>Form of Aoyuan New Notes Indenture</i> ), customary events of default, applicable to the Company and its Principal Subsidiaries. Please refer to section 11.4(q) in, and Appendix 11 ( <i>Form of Aoyuan New Notes Indenture</i> ) to, this Explanatory Statement for more details.
<b>Trustee</b>	Madison Pacific Trust Limited
<b>Amendment threshold</b>	Same as the current position under the Existing Public Notes, except that any amendments, modifications or waivers that require the consent of each holder affected thereby under the relevant series of the Existing Public Notes would only require the consent of the holders of not less than 75% in aggregate principal amount of the then outstanding Aoyuan New Notes.
<b>Governing law</b>	New York law
<b>Denomination</b>	US\$1,000 per Aoyuan New Note and integral multiples of US\$1 thereof.

#### 8.4 Summary of the Aoyuan MCB Terms and Conditions

<b>Principal Terms of the Aoyuan MCB</b>	
<b>Issuer</b>	China Aoyuan Group Limited (中國奧園集團股份有限公司).
<b>Convertible Bonds to be Issued</b>	Mandatory Convertible Bonds (the " <b>Aoyuan MCB</b> ") convertible into ordinary shares of Aoyuan, which are listed on the Stock Exchange of Hong Kong Limited (the " <b>Shares</b> ").
<b>Status</b>	Direct, unsubordinated, unconditional and unsecured obligations of Aoyuan.
<b>Principal Amount</b>	The Aoyuan MCB, with a maximum principal amount equal to US\$143 million.
<b>Currency</b>	US Dollars.
<b>Form</b>	Registered only.
<b>Denomination</b>	US\$1,000 per Aoyuan MCB and integral multiples of US\$1 thereof.
<b>Issue Date</b>	Deemed as being issued on the Restructuring Effective Date for the purposes of term and interest.
<b>Issue Price</b>	100.0% (consideration in the form of a debt for Aoyuan MCB swap).
<b>Coupon</b>	Zero coupon.

<b>Maturity/Principal Repayment</b>	<p>Five years from the Reference Date.</p> <p>The outstanding principal amount of the Aoyuan MCB shall be mandatorily converted into the Shares at maturity at the then prevailing Conversion Price, subject to the terms and conditions of the Aoyuan MCB.</p>
<b>Conversion Right</b>	<p>Convertible at any time after 12 months from the RED up to and including 10 business days prior to the maturity date or any redemption date (except where such conversion is by the Strategic Investor).</p> <p><b>“Strategic Investor”</b> means the person(s) identified by the Company, in respect of whom the Board (at a meeting that all the Board members have the opportunity to attend) has made a determination in good faith that such person is likely to develop a material strategic relationship with the Company, including without limitation an acquisition of another entity or assets, in connection with and related to the Company’s present or future business, and its affiliates, and notified to the Trustee and the Bondholders at any time on or prior to the date falling 14 days after the date on which such person(s) have been so identified.</p>
<b>Conversion Price</b>	<p>The initial Aoyuan MCB Conversion Price shall be such price per Aoyuan Share (determined on the Restructuring Effective Date) in HK\$ as would result in the Aoyuan MCB, upon full conversion (assuming full conversion immediately upon issuance), converting into 29.9 per cent. of the total issued share capital of the Company immediately following conversion. Such initial Aoyuan MCB Conversion Price shall be subject to the adjustment for, among other things, consolidation, subdivision, redesignation or reclassification, capitalisation of profits or reserves, capital distributions, rights issues of shares or options at less than 95% of the Current Market Price, rights issues of shares or options over shares or issues at less than 95% of the Current Market Price, right issues of other securities, other issues (otherwise than as mentioned above) at less than 95% of the Current Market Price, modification of rights of conversion at less than 95% of the Current Market Price, other offers to Shareholders and other events as described in the terms and conditions of the Aoyuan MCB. The Company is not required under the terms and conditions of the Aoyuan MCB to consult an independent financial advisor in respect of the adjustments to the Conversion Price, unless as otherwise specified therein.</p> <p>Assuming there is no other change in the issued share capital of the Company from the Latest Practicable Date up to the date of the full conversion of the Aoyuan MCB (other than the issue of the New Shares), the initial Aoyuan MCB Conversion Price would be [HK\$0.66].</p> <p>Under no circumstances shall the Company be required to issue Shares in excess of the Maximum Number of Shares.</p> <p><b>“Maximum Number of Shares”</b> means, in respect of any conversion of an Aoyuan MCB, the maximum number of Shares</p>

	<p>issuable by the Company to the holder of such Aoyuan MCB as would not, unless a “whitewash waiver” or similar waiver or dispensation has been granted to such Bondholder by the Hong Kong Securities and Futures Commission, trigger a mandatory offer obligation by that Bondholder or any person(s) acting in concert with it under rule 26 of the Hong Kong Code on Takeovers and Mergers.</p> <p>“<b>Current Market Price</b>” means in respect of an Aoyuan Share on a particular date, the arithmetic average of the volume weighted share price for the 10 consecutive trading days ending on the trading day immediately preceding such date, subject to the terms and conditions of the Aoyuan MCB.</p>
<b>Fixed Exchange Rate</b>	<p>On any conversion into Shares, US\$1 in principal amount of Bonds shall be translated into Hong Kong dollars at the fixed rate of US\$1 = HK\$7.7778.</p> <p>For Aoyuan's internal audit purposes, the following fixed conversion rates shall be used in respect of the Aoyuan MCB (as applicable):</p> <ul style="list-style-type: none"> <li>• US\$1 = RMB7.0</li> <li>• HK\$1 = RMB0.9</li> </ul>
<b>Put Option granted to holders of the Aoyuan MCB</b>	<p>The holder of each Aoyuan MCB will have the right to require the Company to redeem all of that holder's Aoyuan MCBs at a redemption price equal to 100 per cent. of their principal amount following the occurrence of a Relevant Event.</p> <p><b>"Relevant Event"</b> occurs when:</p> <ol style="list-style-type: none"> <li>1. the Company issues Shares (other than pursuant to the Aoyuan MCB) representing an aggregate amount of 10% or more of the share capital of the Company as at the Restructuring Effective Date to the Strategic Investor from and including the Restructuring Effective Date to but excluding the date falling 12 months from the Restructuring Effective Date; and</li> <li>2. the Company does not exercise its call option (below) to redeem all, but not some only, of the Aoyuan MCB prior to the date falling five business days following the issuance of the Shares referenced in (1) above.</li> </ol>
<b>Call Option</b>	<p>The Company may redeem all or any part of the Aoyuan MCB at 100 per cent. of the principal amount of the Aoyuan MCB to be so redeemed, in accordance with and subject to the terms and conditions of the Aoyuan MCB.</p>
<b>Strategic Investor Purchase Option</b>	<p>From and including the Restructuring Effective Date to but excluding the date falling 12 months from the Restructuring Effective Date, the Strategic Investor shall have the right to require the Bondholders to transfer all, but not some only of, the Aoyuan MCB to the Strategic Investor.</p>

<b>Security &amp; Guarantees</b>	N/A
<b>Covenants</b>	None, save for customary undertakings given in respect of convertible bonds (see below).
<b>Events of Default</b>	None, except to prove and/or claim in the winding-up or administration of Aoyuan in respect of the Aoyuan MCB (through the Trustee if so requested in writing by the holders of at least one-quarter in principal amount of the Aoyuan MCB then outstanding).
<b>Undertakings</b>	<p>The covenants and other conditions which are customary, including but not limited to:</p> <ol style="list-style-type: none"> <li>1. availability of sufficient authorised but unissued share capital, free of pre-emption rights, to satisfy the conversion rights;</li> <li>2. no change to ranking of the Shares, modification of rights attaching to the Shares, or the creation or issue of more senior or favourable share capital;</li> <li>3. maintenance of listing of the Shares; and</li> <li>4. customary notification obligations.</li> </ol>
<b>Optional Repurchase</b>	Other than as provided in the terms and conditions of the Aoyuan MCB, after the full redemption or full principal repayment of the Add Hero Notes, Aoyuan New Notes and the Aoyuan Perpetuals, the China Aoyuan Group may, subject to applicable laws and regulations, at any time and from time to time purchase the Aoyuan MCB at par.
<b>Trustee</b>	Madison Pacific Trust Limited
<b>Amendment threshold</b>	Amendments, modifications or waivers may be made with the consent of the holders of not less than a majority in aggregate principal amount of the then outstanding Aoyuan MCB; provided, however, that amendments, modifications or waivers that affect the economic terms of the Aoyuan MCB (e.g. principal amount) shall require the consent of the holders representing not less than 75% in aggregate principal amount of the then outstanding Aoyuan MCB.
<b>Clearance</b>	The Aoyuan MCB will be cleared through the Clearing Systems (being Euroclear and Clearstream). The Clearing Systems each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders.
<b>Governing law</b>	English law

#### 8.5 Summary of the Aoyuan Perpetuals Terms and Conditions

##### Principal Terms of Aoyuan Perpetuals

<b>Issuer</b>	China Aoyuan Group Limited (中國奧園集團股份有限公司).
<b>Principal Amount</b>	The Aoyuan Perpetuals, with a maximum principal amount equal to approximately US\$1.6 billion.
<b>Maturity</b>	Perpetual
<b>Interest</b>	<ol style="list-style-type: none"> <li>1. Year 1 to 8 after the Reference Date: no interest</li> <li>2. Year 9 to 10 after the Reference Date: 1.00% p.a. cash interest, payable semi-annually</li> <li>3. Year 11 to 12 after the Reference Date: 2.00% p.a. cash interest, payable semi-annually</li> <li>4. Year 13 to 14 after the Reference Date: 3.00% p.a. cash interest, payable semi-annually</li> <li>5. Year 15 to 16 after the Reference Date: 5.00% p.a. cash interest, payable semi-annually</li> <li>6. Year 17 to 18 after the Reference Date: 7.00% p.a. cash interest, payable semi-annually</li> <li>7. Year 19 to 21 after the Reference Date: 9.00% p.a. cash interest, payable semi-annually</li> <li>8. Year 22 after the Reference Date and onwards: increase by 3.00% per year, payable semi annually</li> </ol> <p>Noting that if the Company chooses to defer interest under the Aoyuan Perpetuals, the cash interest shall be automatically toggled to PIK and accrue at the same rate as above. For the avoidance of doubt, any PIK interest will accrue further interest.</p>
<b>Events of Default</b>	None, except to prove and/or claim in the winding-up or administration of Aoyuan in respect of the Aoyuan Perpetuals (through the Trustee if so requested in writing by the holders of at least one-quarter in principal amount of the Aoyuan Perpetuals then outstanding).
<b>Undertaking to work with creditors onshore the PRC</b>	The Company shall use its best efforts to work with the China Aoyuan Group's creditors onshore the PRC in order (i) to extend the maturities and (ii) to reduce the interest expense of the outstanding Indebtedness of the China Aoyuan Group onshore the PRC. The Company shall procure that Aoyuan Group Company Limited (i) cure, acquire waivers in respect of or otherwise resolve any continuing defaults or events of default as of the Original Issue Date and (ii) acquire the rescission of any declaration of acceleration thereof prior to the date falling 36 months after the Restructuring Effective Date.
<b>Subordination of Intercompany claims</b>	The Company shall not make any payment to repay, redeem, repurchase or retire for value, set off or otherwise settle (collectively "settle"), any Intercompany Claims of any Restricted Subsidiaries against the Company; provided, however, that this prohibition shall

	not extend to any Intercompany Claims which are settled by operation of law.
<b>Covenants and other Conditions</b>	Customary covenants and other conditions as further set out in the Aoyuan New Notes Indenture, which, in certain circumstances, are reasonably tightened compared to the existing contractual protections under the existing indentures and finance documents in respect of the Existing Debt.
<b>Step-up Interest</b>	<p>In the event that a Breach of Covenant Event or a Relevant Indebtedness Default Event occurs and is continuing, a step-up interest margin of 15% per annum shall apply ("<b>Aoyuan Perpetuals Step-Up Interest</b>"), provided always that the Aoyuan Perpetuals Step-Up Interest may be deferred in perpetuity and any such deferred interest will not accrue further interest.</p> <p><b>"Relevant Indebtedness Default Event"</b> means a default which is continuing under any indebtedness of the China Aoyuan Group (or indebtedness the payment of which is guaranteed by the China Aoyuan Group), whether such indebtedness or guarantee now exists or is created after the Restructuring Effective Date, which default results in the acceleration of such indebtedness prior to its stated maturity, and the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness the stated maturity of which has also been accelerated, equals or exceeds U.S.\$20 million, provided, however, that the foregoing shall not apply to any default or event of default arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness.</p>
<b>Issuer Call Option</b>	Provided that the Add Hero Notes and Aoyuan New Notes have been fully repaid, redeemed or repurchased, in the event that a Withholding Tax Event, an Equity Disqualification Event or a Step-up Distribution Event occurs, the Company has a call option to redeem the entire outstanding amount of the Aoyuan Perpetuals at par plus accrued and unpaid Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution).
<b>Optional redemption</b>	<p>Notwithstanding anything to the contrary, the Company may, at its sole discretion, use any Other Net Proceeds to make an Offer to Purchase the Aoyuan Perpetuals by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per US\$1.00 of the Aoyuan Perpetuals of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate; provided that no such Offer to Purchase may be made until the Add Hero Notes and the Aoyuan New Notes have been fully repaid, redeemed or repurchased in accordance with the terms thereof.</p> <p>To the extent that any Other Net Proceeds remain unused after 45 business days of commencing the reverse Dutch auction under the</p>

	preceding paragraph, the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Aoyuan Perpetuals, in whole or in part, at a redemption price equal to 100% of the outstanding principal amount of the Aoyuan Perpetuals thereof plus any Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution) accrued to, but excluding, the date fixed for redemption.
<b>Fiscal Agent</b>	Madison Pacific Trust Limited.
<b>Governing law</b>	English law.
<b>Denomination</b>	US\$1,000 per Aoyuan Perpetual and integral multiples of US\$1 thereof.



## 9. SCHEME CREDITORS AND ACTIONS TO BE TAKEN

**NOTE:** For the avoidance of doubt, references to "Scheme Creditors" in this section 9 shall exclude Sanctioned Scheme Creditors. If you are a Sanctioned Scheme Creditor, please notify the Company immediately in writing of your status in accordance with clause 5.5 (*Sanctioned Scheme Creditors*) of the China Aoyuan Schemes.

### ***Are you a Scheme Creditor?***

9.1 Scheme Creditors (for the purpose of determining entitlement to voting) include (for the avoidance of doubt, but without double counting in each case):

- (a) **Account Holders:** you are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Noteholder. Account Holders are not Existing Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes;
- (b) **Intermediaries:** you are an Intermediary if you hold an interest at the Record Date in any Existing Notes on behalf of another person or other persons and you do not hold that interest as an Account Holder. An Intermediary is commonly a bank or a brokerage house which does not have an account with either of the Clearing Systems;
- (c) **Existing Noteholders:** you are an Existing Noteholder if you have the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Notes held in global form through the Clearing Systems at the Record Date;
- (d) **Existing Public Notes Trustee, Existing Private Notes Fiscal Agent and Existing Notes Common Depositaries (including any nominee(s) of each Existing Notes Common Depositary as registered holders of the Existing Notes):** however, (in accordance with their respective customary practices) they will not exercise any voting rights they may have in respect of the Existing Debt at any meeting of the Scheme Creditors. However, each such party and its respective legal adviser will be entitled to attend the Scheme Meeting;
- (e) **Existing Lenders:** you are an Existing Lender if you are a lender of record or have an economic or beneficial interest as principal in one or more of the Existing Loans at the Record Date; and
- (f) **Existing Loans Administrative Parties:** however, (in accordance with their respective customary practices) they will not exercise any voting rights they may have in respect of the Existing Loans at any meeting of the Scheme Creditors. However, each such party and its respective legal adviser will be entitled to attend the Scheme Meeting.

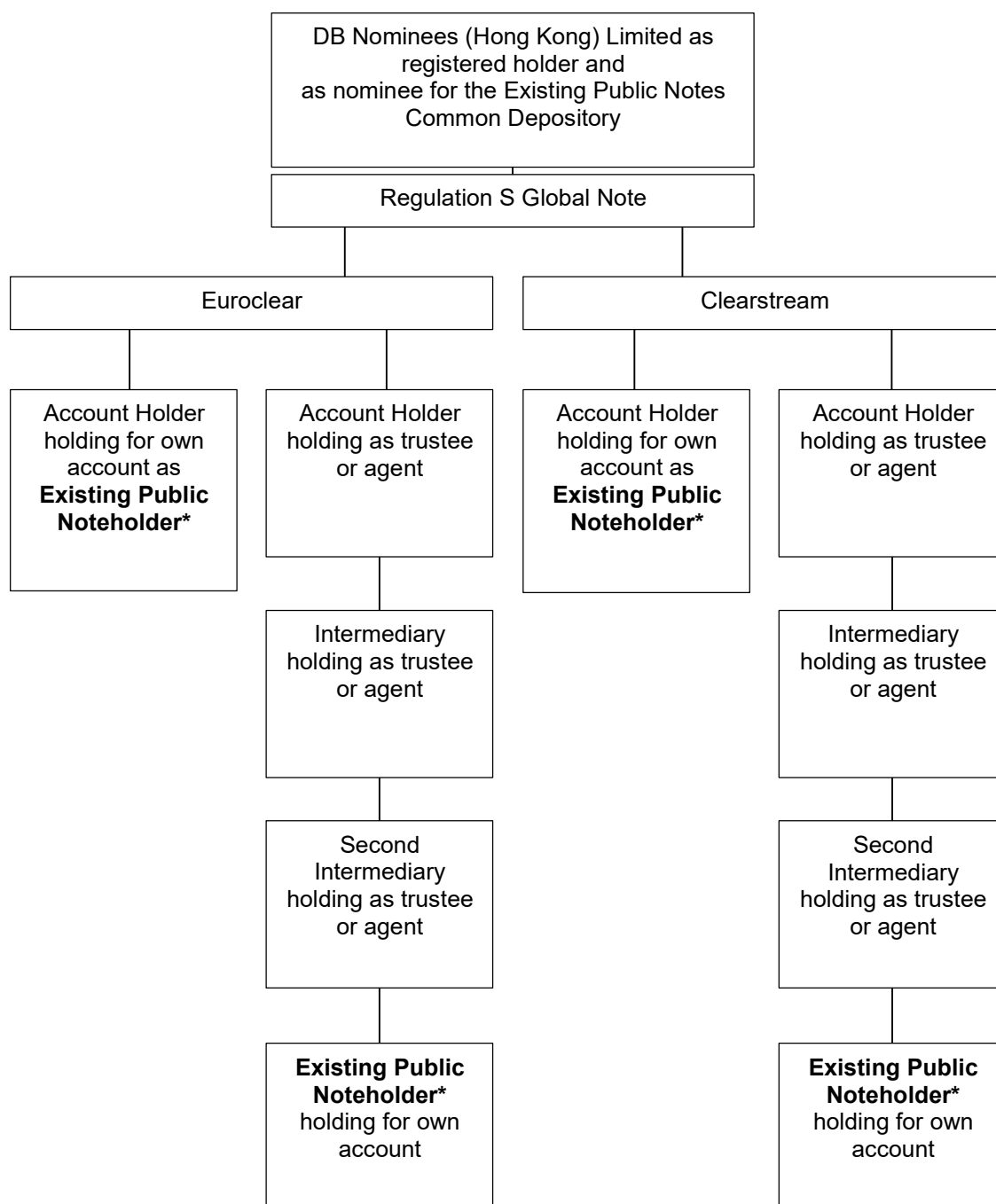
A diagrammatic representation of the various capacities of the Account Holders, Intermediaries, Existing Noteholders, Existing Public Notes Trustee and the Existing Notes Common Depositaries (including any nominee(s)) is set out on the following page to assist your understanding of the structure of the Existing Notes and the Clearing Systems.

9.2 Scheme Creditors (who are not Sanctioned Scheme Creditors) will be entitled to attend and vote in person or by proxy at the Scheme Meeting. If you are a Scheme Creditor, you should

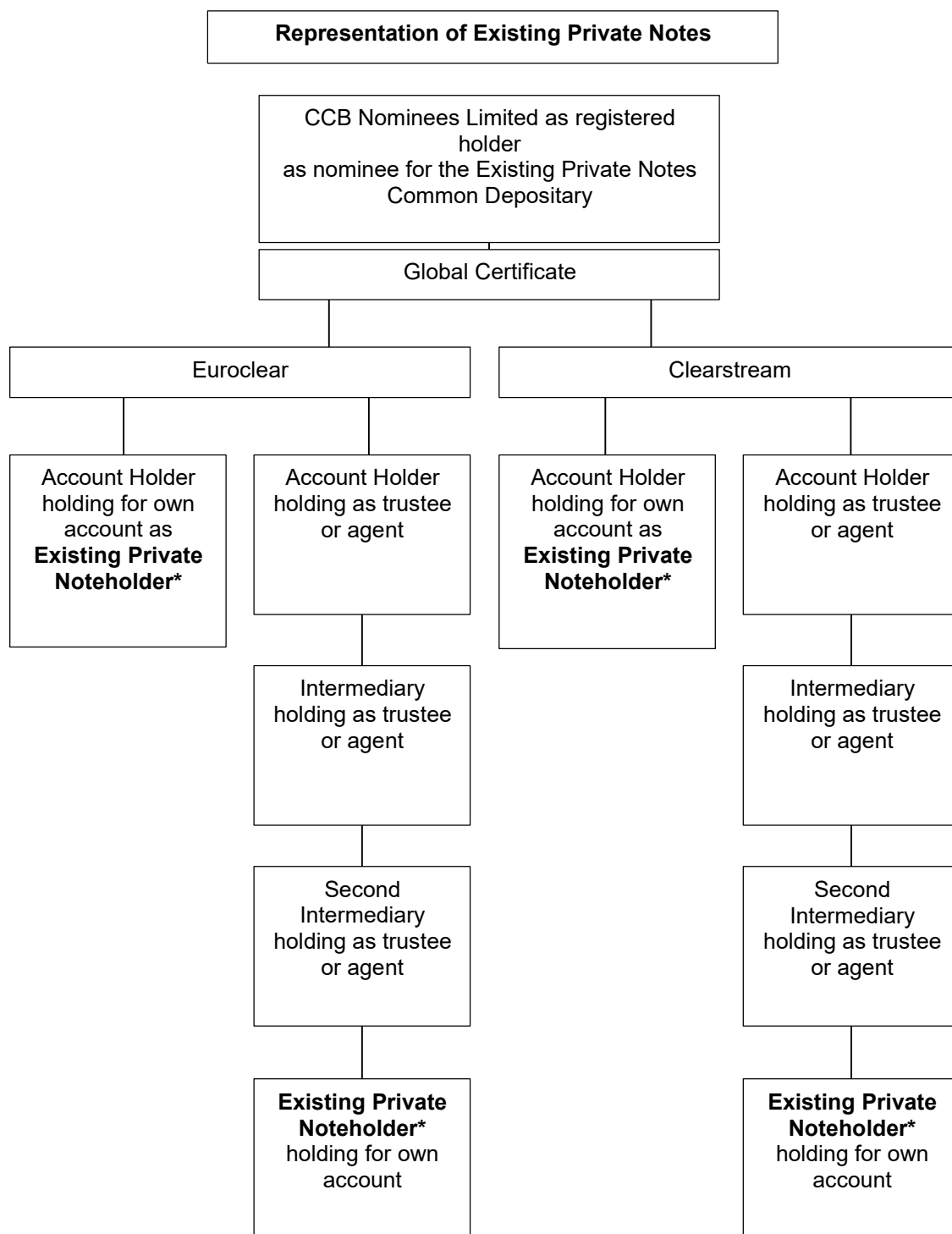
read Appendix 2 (*China Aoyuan HK Scheme*), Appendix 3 (*China Aoyuan Cayman Scheme*) and Appendix 5 (*Solicitation Packet*) carefully.

- 9.3 For completeness, please note that the Company will cancel or procure the cancellation of any Existing Debt that it or any other member of the China Aoyuan Group has a beneficial interest in or which it or any other member of the China Aoyuan Group has redeemed, converted, acquired or purchased prior to the Record Date and, for the avoidance of doubt, any such Existing Debt will not be voted on at the Scheme Meeting.

## Representation of Existing Public Notes



\*In respect of interests in the Existing Public Notes held at the Record Date.



\*In respect of interests in the Existing Private Notes held at the Record Date.

***Actions to be taken before the Voting Instruction Deadline***

- 9.4 Scheme Creditors should refer to section 1 (*Expected Timetable of Principal Events in Relation to the China Aoyuan Schemes*) for the key expected timing in relation to the China Aoyuan Schemes.

*Scheme Creditors (who are not Sanctions-Affected Scheme Creditors)*

- 9.5 If you wish to vote in respect of the China Aoyuan Schemes at the Scheme Meeting, you should ensure a valid Custody Instruction is submitted by the Custody Instruction Deadline (applicable only to Existing Noteholders) and a validly completed Account Holder Letter and/or Lender Proxy Form (as applicable) is submitted to the Information Agent by the Voting Instruction Deadline online via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanscheme>). A separate Custody Instruction must be submitted on behalf of each Existing Noteholder. For the avoidance of doubt, Custody Instructions may only be submitted in principal amounts of US\$1,000 and integral multiples of US\$1,000.
- 9.6 In addition, if you are an Existing Noteholder who is not an Account Holder, you should contact your Account Holder (through any Intermediaries, if applicable) to ensure that your Account Holder takes the appropriate action(s).
- 9.7 If you wish to do any of the following, please ensure that the documents specified below are validly completed, executed, and returned in accordance with the instructions set out therein so that they are received by the Information Agent by the Voting Instruction Deadline online via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanscheme>):
- (a) if you wish to receive your Scheme Consideration Entitlement on the Restructuring Effective Date, a valid Custody Instruction is submitted by the Custody Instruction Deadline (if applicable) and an Account Holder Letter and/or Lender Proxy Form (as applicable) and a Distribution Confirmation Deed; **and additionally**
  - (b) if you are not an Eligible Person (i.e. a person who cannot make the Securities Law Representations and Sanctions Law Representations set out in Annex B to the Distribution Confirmation Deed) and wish to nominate a Designated Recipient who is an Eligible Person to receive your Aoyuan New Notes Entitlement on the Restructuring Effective Date, the Designated Recipient Form (together with an Account Holder Letter and/or Lender Proxy Form (as applicable) and a Distribution Confirmation Deed).
- 9.8 Whether an Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Information Agent), provided that, if the Scheme Administrators determine that any such document has not been validly completed, the Scheme Administrators shall (through the Information Agent) promptly send a written statement to the relevant Scheme Creditor through the Scheme Portal indicating their reasons for their determination. Notwithstanding the foregoing, it is the sole responsibility of each Scheme Creditor to ensure that any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) submitted in respect of its Scheme Claim has been validly completed, including the Accession Code, if applicable, and that any Custody Instruction has been validly submitted via the Clearing Systems.
- 9.9 The Information Agent and Scheme Administrators are agents of the Company, and owe no duty or responsibility towards any Scheme Creditor and the Scheme Administrators and the Information Agent will not be responsible for any loss or liability incurred by a Scheme Creditor as a result of any determination by the Scheme Administrators (on behalf of the Company and in consultation with the Information Agent) referenced in sections 7.10 and 9.8 above, except to the extent that such loss or liability is incurred by a Scheme Creditor

and is attributable to fraud, wilful default or wilful misconduct on the part of the Scheme Administrators or Information Agent.

*Blocked Scheme Creditors*

- 9.10 If you are a Blocked Scheme Creditor who wishes to: (a) vote in respect of the China Aoyuan Schemes at the Scheme Meeting; and/or (b) be allocated your Blocked Scheme Consideration Entitlement on the Restructuring Effective Date, you should ensure that a validly completed Blocked Scheme Creditor Form together with any accompanying documents is submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), in accordance with the instructions set out in the Blocked Scheme Creditor Form, the Solicitation Packet and the China Aoyuan Schemes.
- 9.11 Whether a Blocked Scheme Creditor Form has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Blocked Scheme Creditor Tabulation Agent) provided that, if the Scheme Administrators and/or the Blocked Scheme Creditor Tabulation Agent determines that any such document has not been validly completed, the Blocked Scheme Creditor Tabulation Agent shall promptly send by email a notification with a written statement of its reasons for its determination to the party that provided the relevant document.
- 9.12 The Scheme Administrators, Chairperson, and the Blocked Scheme Creditor Tabulation Agent will not be responsible for any loss or liability incurred by a Blocked Scheme Creditor as a result of any determination by the Scheme Administrators, Chairperson and/or the Blocked Scheme Creditor Tabulation Agent (on behalf of the Company and in consultation with the Information Agent) referenced in sections 7.10 and 9.11 above, except to the extent that such loss or liability is incurred by a Blocked Scheme Creditor and is attributable to the fraud, wilful default or wilful misconduct on the part of the Scheme Administrators, Chairperson or the Blocked Scheme Creditor Tabulation Agent.

***Distribution or allocation of Scheme Consideration Entitlement***

- 9.13 The Scheme Consideration Entitlements (which comprises the Aoyuan New Securities Entitlement, the New Shares Entitlement and the Transfer Shares Entitlement) of Scheme Creditors (who are not Sanctioned Scheme Creditors) will be distributed under the terms of the China Aoyuan Schemes on the Restructuring Effective Date, provided that they have submitted (or arranged to have submitted on their behalf) to the Information Agent via the Scheme Portal validly completed and signed copies of the Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed and a Designated Recipient Form (as applicable) by the Voting Instruction Deadline.
- 9.14 The Aoyuan New Securities Entitlement and Transfer Shares Entitlement of each such Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) will be eligible for distribution, clearing and settlement only through Euroclear and Clearstream and will be distributed to:
- (a) in the case of the Existing Noteholders, the same Euroclear or Clearstream account in which the Existing Notes to which that Scheme Creditor was entitled at the Record Date were held; and
  - (b) in the case of the Existing Lenders, the securities account specified in the Lender Proxy Form.
- 9.15 The New Shares Entitlement of each such Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) will only be issued in scrip form to the (a) Scheme Creditor or (b) Designated Recipient (if appointed), as specified in the Account Holder Letter or Lender Proxy Form of such Scheme Creditor (as applicable). A Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) may collect a physical copy of the share certificate evidencing its New Shares Entitlement from the Company, located at Units 1901–

2, 19th Floor, One Peking, No. 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

### ***Blocked Scheme Creditors***

- 9.16 Each Blocked Scheme Creditor who submits the required documents set out in section 9.10 above to the Blocked Scheme Creditor Tabulation Agent before the Voting Instruction Deadline will be entitled to be allocated the Blocked Scheme Consideration Entitlement on the Restructuring Effective Date.
- 9.17 From the Restructuring Effective Date, the Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement of Blocked Scheme Creditors will be held by the Escrow Agent in accordance with the terms of the Escrow Agreement. Subject always to such arrangements being permissible under Applicable Sanctions, and further subject to the terms of the Escrow Agreement, the Company shall put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement upon the lifting of the Applicable Sanctions in respect of any Blocked Scheme Creditor. Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, any Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement which remain unable to be distributed to Blocked Scheme Creditors in compliance with the Applicable Sanctions will be returned to the Company (or in respect of any Transfer Shares Entitlement only, any person nominated by the Company) in accordance with the terms of the Escrow Agreement. To the extent that the Blocked Aoyuan New Securities Entitlement comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Paying Agent or Aoyuan Perpetuals Paying Agent (as applicable) for cancellation. The rights of Blocked Scheme Creditors under the China Aoyuan Schemes and the Escrow Agreement shall be extinguished on the return of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement to the Company, including any rights of Blocked Scheme Creditors in respect of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement. For the avoidance of doubt, provided that there is no Scheme Creditor that constitutes a Blocked Scheme Creditor (Participating) as of the Restructuring Effective Date and there is no Scheme Creditor that constitutes a Blocked Scheme Creditor (Residual) as of the Holding Period Expiry Date, the Company will have no obligation to enter into such Escrow Agreement or appoint any Escrow Agent under the China Aoyuan Schemes.
- 9.18 In respect of the Blocked New Shares Entitlement, the Company shall issue the Blocked New Shares Entitlement in scrip form to the Blocked Scheme Creditor, if the Applicable Sanctions are lifted on or prior to the expiry of the Escrow Period, with such payment to be made as soon as reasonably practicable after the lifting of the Applicable Sanctions. However, if the Applicable Sanctions are not lifted on or prior to the expiry of the Escrow Period, that Blocked Scheme Creditor's rights in respect of its Blocked New Shares Entitlement shall be extinguished.

### ***Unadmitted Scheme Creditors***

- 9.19 Each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) or a Blocked Scheme Creditor who validly submits the required documents set out in section 9.7 above to the Information Agent or the required documents set out in section 9.10 above to the Blocked Scheme Creditor Tabulation Agent (as applicable) before the Voting Instruction Deadline will be entitled to receive the Scheme Consideration Entitlement or be allocated the Blocked Scheme Consideration Entitlement (as applicable) on the Restructuring Effective Date. Any such Scheme Creditor who fails to validly submit the required documents set out in section 9.7 above to the Information Agent or the required documents

set out in section 9.10 above to the Blocked Scheme Creditor Tabulation Agent (as applicable) before the Voting Instruction Deadline will be deemed to be an Unadmitted Scheme Creditor.

- 9.20 Such Unadmitted Scheme Creditor's Aoyuan New Securities Entitlement, Transfer Shares Entitlement, RSA Fees (Aoyuan New Notes), Blocked Aoyuan New Securities Entitlement or Blocked Transfer Shares Entitlement (as applicable) (the "**Unadmitted Entitlement**") shall be issued and delivered to the Holding Period Trustee on the Restructuring Effective Date. The Holding Period Trustee will hold such Unadmitted Entitlement on trust for the relevant Unadmitted Scheme Creditor as part of the Trust Assets held on trust for all Unadmitted Scheme Creditors subject to and pursuant to the terms of the Holding Period Trust Deed, until the Holding Period Expiry Date.

***Actions to be Taken before the Bar Time***

- 9.21 An Unadmitted Scheme Creditor should establish its entitlement to its share of (a) the relevant Trust Assets (comprising the Aoyuan New Securities, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable)) and (b) New Shares Entitlement, in each case, by the Bar Time in accordance with the terms of the Holding Period Trust Deed and the China Aoyuan Schemes, including by submitting, or procuring to have submitted on its behalf:

- (a) in the case of a Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor), a valid Custody Instruction via the Clearing System by the Holding Period Custody Instruction Deadline (if applicable) and a validly completed and executed Account Holder Letter and/or Lender Proxy Form (as applicable), Distribution Confirmation Deed and the Designated Recipient Form (as applicable) (and such other information as is required by the Information Agent to be submitted as set out in the Holding Period Trust Deed) to the Information Agent (via the Scheme Portal); or
- (b) in the case of a Blocked Scheme Creditor, a validly completed and executed Blocked Scheme Creditor Form (and such other document as is required by the Blocked Scheme Creditor Tabulation Agent) to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com),

as soon as possible and not later than the Bar Time in order to receive or be allocated its relevant Scheme Consideration Entitlement on the Holding Period Expiry Date.

- 9.22 Where an Unadmitted Scheme Creditor validly submits the required documents set out in section 9.21 above:

- (a) in the case of an Unadmitted Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor):
  - (i) the Holding Period Trustee shall procure such Trust Assets to be transferred to that Unadmitted Scheme Creditor (or its Designated Recipient) on the Holding Period Expiry Date; and
  - (ii) the Company shall issue the New Shares Entitlement in scrip form to that Unadmitted Scheme Creditor (or its Designated Recipient) on the Holding Period Expiry Date; or
- (b) in the case of an Unadmitted Scheme Creditor (who is a Blocked Scheme Creditor):
  - (i) the Holding Period Trustee shall procure such Trust Assets to be transferred to the Escrow Agent (to the extent permitted by the Applicable Sanctions) to be held in accordance with the terms of the Escrow Agreement on the Holding Period Expiry Date; and



- (ii) the Company shall issue the Blocked New Shares Entitlement in scrip form to the Unadmitted Scheme Creditor, if the Applicable Sanctions are lifted on or prior to the expiry of the Escrow Period, with such payment to be made as soon as reasonably practicable after the lifting of the Applicable Sanctions.
- 9.23 If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets and New Shares Entitlement in accordance with the terms of the Holding Period Trust Deed and the China Aoyuan Schemes prior to the Bar Time, that Unadmitted Scheme Creditor's rights under the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) under the China Aoyuan Schemes.
- 9.24 The interest in any Trust Assets which are not allocated by the Holding Period Trustee to the Unadmitted Scheme Creditors in accordance with the terms of the Holding Period Trust Deed shall be transferred to the Company or to any person nominated by the Company at the Company's cost as soon as reasonably practicable after the Holding Period Expiry Date. To the extent such Trust Assets comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Paying Agent or Aoyuan Perpetuals Paying Agent (as applicable) for cancellation.
- Custody Instructions and undertaking not to transfer in respect of Existing Noteholders (who are not Sanctions-Affected Scheme Creditors)***
- 9.25 Custody Instructions are irrevocable instructions which prevent transfers of the Existing Notes until the Restructuring Effective Date or until such Existing Notes are unblocked as described in section 9.31 below or, in the case of Existing Public Notes, cancelled as described in section 9.29 below. These restrictions are necessary to prevent the same holding of the Existing Notes being voted more than once.
- 9.26 Any Scheme Creditor that procures the submission of an Account Holder Letter by the Voting Instruction Deadline (to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date) must first block its Existing Notes. To do so, the Scheme Creditor must ensure that its Account Holder, **prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal**, submits the relevant Custody Instruction to block its Existing Notes held with Euroclear or Clearstream by the **Custody Instruction Deadline**. A Custody Instruction Reference Number will be automatically assigned by Euroclear or Clearstream in respect of each Custody Instruction and must be inserted into the Account Holder Letter. An Account Holder Letter will not be valid for the purposes of voting at the Scheme Meeting and/or receiving the Scheme Consideration Entitlement on the Restructuring Effective Date if it does not have a valid Custody Instruction Reference Number. The Company reserves the right to reject any Account Holder Letter that does not contain a valid Custody Instruction Reference Number.
- 9.27 By completing the Account Holder Letter with the Custody Instruction Reference Number, the Scheme Creditor will be deemed to have undertaken that it will not, from the date of submission of its Custody Instruction, sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Notes. Such undertaking will terminate immediately upon: (a) the Restructuring Effective Date; or (b) the Existing Notes becoming unblocked as described in section 9.31 below or, in the case of Existing Public Notes, cancelled as described in section 9.29 below.
- 9.28 For the avoidance of doubt, all Existing Public Notes (including those in respect of which no Custody Instruction is given) will be blocked from trading by the Clearing Systems on or promptly following the Scheme Effective Date.

- 9.29 If the Restructuring Effective Date occurs before the Longstop Date, all of the Existing Public Notes will be cancelled in the Clearing Systems and will be irrevocably cancelled in full in accordance with the terms of the China Aoyuan Schemes as at the Restructuring Effective Date and thereafter will not be capable of being traded in the Clearing Systems.
- 9.30 Any documentation and relevant Custody Instruction submitted by or on behalf of a Scheme Creditor shall be irrevocable for all purposes in connection with the China Aoyuan Schemes unless and until the Company has provided an irrevocable instruction to unblock the Existing Notes to the Information Agent as described in section 9.31 below.
- 9.31 The Company shall provide an irrevocable instruction to the Information Agent, who would in turn provide the irrevocable instruction to the Clearing System, to immediately cause the Existing Notes to be unblocked:
- (a) within two Business Days of one of the circumstances below occurring:
    - (i) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting, is withdrawn or is terminated in accordance with terms of the China Aoyuan Schemes;
    - (ii) the China Aoyuan HK Scheme is not sanctioned by a final and unappealable order of the HK Court;
    - (iii) the China Aoyuan Cayman Scheme is not sanctioned by a final and unappealable order of the Cayman Court;
    - (iv) the Restructuring does not become effective by the Longstop Date;
    - (v) the Company gives written notice of an intention not to proceed with the China Aoyuan Schemes; or
    - (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clause 12.2 therein; or
  - (b) if the Company at its sole discretion consents to unblock the Existing Notes.

***Undertaking not to transfer in respect of Existing Lenders (who are not Sanctions-Affected Scheme Creditors)***

- 9.32 By submitting a Lender Proxy Form, each of the Existing Lenders will be deemed to have given the undertaking that it will not, from the date of submission of its Lender Proxy Form, sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Loans ("**Transfer**"). Such undertaking will terminate with immediate effect on the earliest of the following circumstances:
- (i) the Restructuring Effective Date;
  - (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting, is withdrawn or is terminated in accordance with the terms of the China Aoyuan Schemes;
  - (iii) the China Aoyuan HK Scheme is not sanctioned by a final and unappealable order of the HK Court;
  - (iv) the China Aoyuan Cayman Scheme is not sanctioned by a final and unappealable order of the Cayman Court;
  - (v) the Restructuring does not become effective by the Longstop Date;

- (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and 13.2 therein; or
- (vii) the Company, at its sole discretion, consents to such Transfer of the Existing Loans.

***General instructions for Scheme Creditors (who are not Sanctions-Affected Scheme Creditors)***

***Existing Noteholders only***

- 9.33 Please give ample time to allow your Account Holder and/or Intermediary to process your instructions and submit the required documentation on your behalf. To ensure timely submission of your Account Holder Letter, please liaise with your Account Holder for clarification as to the processing time required and deliver the appropriate materials well before that time.
- 9.34 Please note that the Clearing System or Intermediaries through which your interest in the Existing Notes is held may impose an earlier deadline for the submission of Custody Instructions and/or Account Holder Letters. To ensure timely submission of your Custody Instruction and Account Holder Letter, please ask your Account Holder to check with the relevant Clearing System as to whether any earlier deadline is applicable and ensure that your Custody Instructions and Account Holder Letter are submitted well before any applicable deadlines. A separate Custody Instruction must be submitted on behalf of each Existing Noteholder.

***All Scheme Creditors***

- 9.35 Any Scheme Creditor that fails to submit the required documentation prior to the deadlines as set out above will not be entitled to vote at the Scheme Meeting and/or receive the Scheme Consideration Entitlement on the Restructuring Effective Date. Such Scheme Creditor will, however, be bound by the terms of the China Aoyuan Schemes in the event that it becomes effective and any Existing Debt held by such Scheme Creditor will be cancelled (as applicable) on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes.
- 9.36 It will be the responsibility of Account Holders, who are not Existing Noteholders, to obtain from the Existing Noteholder (through any Intermediaries if applicable) on whose behalf they are acting, in accordance with the procedures established between them, whatever information or instructions they may require to identify in an Account Holder Letter of the relevant Existing Noteholder and to provide the information, instructions and confirmations required by the Account Holder Letter. None of the Company, the Information Agent or any other person will be responsible for any loss or liability incurred by an Existing Noteholder as a result of any determination that an Account Holder Letter contains an error or is incomplete, even if this is subsequently shown not to have been the case.

***General instructions for Blocked Scheme Creditors***

- 9.37 Please submit the Blocked Scheme Creditor Form and necessary documentation to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) before the Voting Instruction Deadline, in order to be entitled to vote in the Scheme Meeting and/or be allocated the Blocked Scheme Consideration Entitlement on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes and the Escrow Agreement.
- 9.38 Any Blocked Scheme Creditor that fails to submit required documentation prior to the deadlines as set out above will not be entitled to vote at the Scheme Meeting and/or be allocated its Blocked Scheme Consideration Entitlement on the Restructuring Effective Date. Such Blocked Scheme Creditor will, however, be bound by the terms of the China Aoyuan Schemes in the event that it becomes effective and any Existing Debt held by such

Blocked Scheme Creditor will be cancelled (as applicable) on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes.

10. **FURTHER DETAILS REGARDING THE CHINA AOYUAN GROUP'S MANAGEMENT AND BUSINESS OPERATIONS**

10.1 **The Company**

- (a) The authorised representatives of the Company are Mr. Guo Zi Wen and Ms. Wong Mei Shan.
- (b) As at 30 June 2023, the persons known to the Company who beneficially own 5% or more of its issued shares are as follows:

<b>Name of Shareholder</b>	<b>Capacity</b>	<b>Number of shares</b>	<b>Approximate percentage of the issued share capital</b>
Ace Rise Profits Limited <sup>1</sup>	Beneficial owner	1,395,201,062	47.05%
Joy Pacific Group Limited <sup>1</sup>	Interest of controlled corporation/ Beneficial owner	1,660,925,625	56.01%
Sturgeon Limited <sup>1</sup>	Interest of controlled corporation	1,660,925,625	56.01%
Arowana Holdings Ltd. <sup>1</sup>	Interest of controlled corporation	1,660,925,625	56.01%
First Advisory Trust (Singapore) Limited <sup>1</sup>	Trustee	1,660,925,625	56.01%
Guo Zi Wen <sup>1</sup>	Settlor of The Golden Jade Trust	1,660,925,625	56.01%
Jiang Miner <sup>1</sup>	Settlor of The Golden Jade Trust	1,660,925,625	56.01%

*Note:*

- (1) The 1,395,201,062 shares are registered in the name of Ace Rise Profits Limited, while 265,724,563 ordinary shares are registered in the name of Joy Pacific Group Limited. Ace Rise Profits Limited is owned as to 90% by Joy Pacific Group Limited (which in turn is wholly owned by Sturgeon Limited) and as to 10% by Hopka Investments Limited. Sturgeon Limited is wholly owned by Asia Square Holdings Ltd., as nominee and trustee for J. Safra Sarasin Trust Company (Singapore) Ltd. as the trustee holding such interests on trust for the beneficiaries of The Golden Jade Trust. On 23 August 2022, the trustee of The Golden Jade Trust changed to First Advisory Trust (Singapore) Limited, and its nominee changed to Arowana Holdings Limited. The Golden Jade Trust is a discretionary family trust

Name of Shareholder	Capacity	Number of shares	Approximate percentage of the issued share capital
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established under the laws and regulations of Singapore. The settlors of The Golden Jade Trust are Mr. Guo Zi Wen and Ms. Jiang Miner.

## 10.2 Directors and Senior Management of the Company

### (a) Directors

As at 30 June 2023, the Board consisted of seven directors, including four Executive Directors and three Independent Non-Executive Directors, details of which are set forth below:

Name	Position
Guo Zi Wen	Executive Director and Chairman
Ma Jun	Executive Director and co-president
Chen Zhi Bin	Executive Director and co-president
Tan Yi	Executive Director and vice president
Cheung Kwok Keung	Independent Non-Executive Director
Lee Thomas Kang Bor	Independent Non-Executive Director
Wong Wai Keung Frederick	Independent Non-Executive Director

### (b) Senior Management

In addition to the Executive Directors particularised above, the China Aoyuan Group's executive team responsible for the day-to-day management of the China Aoyuan Group are set forth below:

Name	Position
Yang Hai Neng	Vice president
Zhang Chao	Vice president
Yin Ji	Vice president

### 10.3 Director's interests in the China Aoyuan Group and the Restructuring

- (a) As at 30 June 2023, the following directors and senior management personnel hold the following interests and short positions in the Company:

Name	Personal Interest	Corporate Interest	Total	% of the issued share capital of the Company
Guo Zi Wen	-	1,660,925,625 <sup>1</sup>	1,660,925,625	56.01%
Ma Jun	3,500,000	-	3,500,000	0.12%
Chen Zhi Bin	1,250,000	-	1,250,000	0.04%

*Notes:*

- (1) 1,395,201,062 ordinary shares are registered in the name of Ace Rise Profits Limited while 265,724,563 ordinary shares are registered in the name of Joy Pacific Group Limited. Ace Rise Profits Limited is owned as to 90% by Joy Pacific Group Limited (which in turn is wholly owned by Sturgeon Limited) and as to 10% by Hopka Investments Limited. Sturgeon Limited is wholly owned by Asia Square Holdings Ltd., as nominee and trustee for J. Safra Sarasin Trust Company (Singapore) Ltd. as the trustee holding such interests on trust for the beneficiaries of The Golden Jade Trust. On 23 August 2022, the trustee of The Golden Jade Trust has changed to First Advisory Trust (Singapore) Limited, and its nominee has changed to Arowana Holdings Limited. The Golden Jade Trust is a discretionary family trust established under the laws and regulations of Singapore. The settlors of The Golden Jade Trust are Mr. Guo Zi Wen and Ms. Jiang Miner.
- (b) Save for those disclosures made above, none of the directors of the Company has any other direct, indirect or non-beneficial interest in the shares of the Company or in the shares of any of the Company's subsidiaries. Further, none of the directors of the Company has any material interest (whether as a director, member, creditor or otherwise) in the China Aoyuan Schemes, except as disclosed in this Explanatory Statement. In particular:
- (i) as a director of the Company receiving remuneration for such role, they each have an interest in the Company avoiding liquidation; and
  - (ii) likewise, to the extent they are beneficial shareholders of the Company (in particular, see section 10.3(a) above) they each have an interest in the Company avoiding liquidation and continuing to trade.
- (c) Each director of the Company has provided confirmations to the Company that he or she:
- (i) is not subject to any unspent convictions relating to indictable offences;
  - (ii) has not been declared bankrupt or has not been the subject of any voluntary arrangement or like proceeding;
  - (iii) has not been convicted in relation to a fraudulent offence;

- (iv) has not been associated with any bankruptcy, receivership, insolvency, liquidation, voluntary arrangement or any composition or arrangement with creditors generally or any class of creditors of such company while acting in the capacity of a member of the administrative, management or supervisory body or as senior manager of any company (save, for the avoidance of doubt, in relation to the China Aoyuan Schemes);
- (v) has not been subject to any official public incrimination and/or sanction by statutory or regulatory authorities (including designated professional bodies); and
- (vi) has not been disqualified by a court from acting as a member of the administrative, management or supervisory body of any company.

#### 10.4 Material contracts

During the two years immediately preceding the date of this Explanatory Statement, other than the contracts entered into in the ordinary course of business, the China Aoyuan Group entered into a number of material contracts under which it has obligations or entitlements material to the China Aoyuan Group as at the date of this Explanatory Statement. A summary of these material contracts is set out below:

- (a) certain material contracts have been entered into in furtherance of the Restructuring, including, without limitation, the Standstill Agreement and the Restructuring Support Agreement as described at section 6 (*Background to the Scheme and the Restructuring*). The occurrence of the Restructuring Effective Date is an automatic termination event under the Standstill Agreement and the Restructuring Support Agreement;
- (b) as disclosed in the Company's announcements dated 16 November 2021 and 14 November 2021, Aoyuan Property (Hong Kong) Limited (奧園地產(香港)有限公司), a wholly owned subsidiary of the Company, and Sharpview Investment Development Limited (新永投資發展有限公司) entered into the sale and purchase agreement dated 12 November 2021, pursuant to which Aoyuan Property (Hong Kong) Limited (奧園地產(香港)有限公司) conditionally agreed to sell, and Sharpview Investment Development Limited (新永投資發展有限公司) conditionally agreed to purchase the entire issued share capital of Mingwan Investments Limited (名萬投資有限公司), Double Bliss Investments Limited (雙福投資有限公司) and Prestige Well Investments Limited (裕康投資有限公司) beneficially owned by Aoyuan Property (Hong Kong) Limited (奧園地產(香港)有限公司) and the loan owed by Mingwan Investments Limited (名萬投資有限公司), Double Bliss Investments Limited (雙福投資有限公司), Prestige Well Investments Limited (裕康投資有限公司), Greatmax International Limited (益明國際有限公司), Lucky Gain Holdings Limited (利裕集團有限公司) and Gold Dynamic Development Limited (帝港發展有限公司) for HK\$900,000,000 in cash, and such transaction completed on 30 December 2021;
- (c) as disclosed in the Company's announcement dated 26 January 2022, Brentwood-Willingdon Projects Ltd., an indirect wholly owned subsidiary of the Company, and Anthem Properties Group Ltd. entered into the offer to purchase dated 24 January 2022, pursuant to which Brentwood-Willingdon Projects Ltd. conditionally agreed to sell, and Anthem Properties Group Ltd. conditionally agreed to purchase all of Brentwood-Willingdon Projects Ltd.'s right, title and interest in all buildings, structures and improvements on the properties located at 4500–4554 Dawson Street, 2223–2375 Alpha Avenue and 2350–2430 Willingdon Avenue, Burnaby, British Columbia, Canada and such disposal was completed on 15 March 2022;



- (d) as disclosed in the Company's announcements dated 23 June 2022, 14 July 2022 and 8 August 2022, on 8 August 2022 Grand First Holdings Limited (太豐集團有限公司), an indirect wholly owned subsidiary of the Company completed the disposal of:
- (i) 49% of the issued share capital of Aoyuan Property Group (Australia) Pty Ltd at the consideration of A\$1.00 (equivalent to approximately HK\$5.41) in cash to Company B (Aust) Pty Limited ACN 658 173 687 in accordance with the conditional share sale deed dated 23 June 2022; and
  - (ii) 100% of the issued share capital of A.C.N. 657 824 701 Pty Ltd ACN 657 824 701 at the consideration of A\$1.00 (equivalent to approximately HK\$5.41) in cash to Silver Mako Pty Limited ACN 658 173 614 in accordance with the conditional share sale deed dated 23 June 2022,
- the proceeds of which have been deposited into the Designated Accounts in accordance with the terms of the Standstill Agreement;
- (e) as disclosed in the Company's announcement dated 3 February 2023, on 6 January 2023:
- (i) Guangdong Aoyuan Commercial Real Estate Group Limited (廣東奧園 商業地產集團有限公司), formerly known as Guangdong Aoyuan City Commercial Property Development Company Limited (廣東奧園城市 商業地產開發有限公司) (an indirect wholly owned subsidiary of the Company) disposed of 55% equity interest in Zhuhai Aoyuan Huafu Property Company Limited (珠海奧園華富置業 有限公司) at the consideration of RMB535,723,600 (equivalent to approximately HK\$621,439,000) in cash to Shandong Yiyang Health Group Real Estate (Group) Co., Ltd. (山東頤養健康集團置業(集團)有限公司) in accordance with the sale and purchase agreement dated 6 January 2023 entered into between Guangdong Aoyuan Commercial Real Estate Group Limited (廣東奧園 商業地產集團有限公司), formerly known as Guangdong Aoyuan City Commercial Property Development Company Limited (廣東奧園城市 商業地產開發有限公司) and Shandong Yiyang Health Group Real Estate (Group) Co., Ltd. (山東頤養健康集團置業(集團)有限公司); and
  - (ii) Guangdong Aoyuan City Renewal Group Company Limited (廣東奧園 城市更新集團有限公司) (an indirect non-wholly owned subsidiary of the Company) disposed of 5% equity interest in Zhuhai Aoyuan Huafu Property Company Limited (珠海奧園華富置業 有限公司) at the consideration of RMB48,702,100 (equivalent to approximately HK\$56,494,000) in cash to Shandong Yiyang Health Group Real Estate (Group) Co., Ltd. (山東頤養健康集團置業(集團)有限公司) in accordance with the sale and purchase agreement dated 6 January 2023 entered into between Guangdong Aoyuan City Renewal Group Company Limited (廣東奧園 城市更新集團有限公司) and Shandong Yiyang Health Group Real Estate (Group) Co., Ltd. (山東頤養健康集團置業(集團)有限公司);
- (f) as disclosed in the Company's announcements on 16 February 2023, 30 June 2023 and 18 July 2023, on 17 July 2023 Main Trend Limited (明興有限公司), a wholly owned subsidiary of the Company, disposed of 217,148,750 shares in Healthy Life to Best Discovery International Limited for consideration in the sum of HK\$256,000,000 in accordance with the terms of the sale and purchase agreement dated 16 February 2023 entered into between Main Trend Limited (明興有限公司) and Best Discovery International Limited. The proceeds from the disposal have

been deposited into the Designated Accounts in accordance with the terms of the Standstill Agreement;

- (g) as disclosed in the Company's announcement on 12 May 2023, on 11 May 2023 (after trading hours), Aoyuan Management Services (BC) Ltd. and Aoyuan Properties (B.C.) Ltd., which are indirect wholly owned subsidiaries of the Company, entered into the share purchase and sale agreement dated 11 May 2023 with Macdonald Communities Limited, pursuant to which Aoyuan Management Services (BC) Ltd. and Aoyuan Properties (B.C.) Ltd. agreed to sell, and Macdonald Communities Limited agreed to purchase, (a) all the issued and outstanding shares of (i) Aoyuan 133ASurrey GP Ltd., (ii) 133A Street Projects Ltd. and (iii) Aoyuan Parking and Storage (BC) Ltd. and (b) the interest-free promissory note issued by 133A Street Projects Ltd. in the amount of CAD50,300,000 in favour of Aoyuan Properties (B.C.) Ltd., at the total consideration of CAD50,300,004 (equivalent to approximately HK\$299,285,024) in cash) (the "**One Central Disposal**"). The sale of the interest-free promissory note issued by 133A Street Projects Ltd. in the amount of CAD50,300,000 in favour of Aoyuan Properties (B.C.) Ltd. took place on 18 May 2023 and the sale of all the issued and outstanding shares of (i) Aoyuan 133ASurrey GP Ltd., (ii) 133A Street Projects Ltd., and (iii) Aoyuan Parking and Storage (BC) Ltd. completed on 12 June 2023. The proceeds from the disposals have been deposited into the Designated Accounts in accordance with the terms of the Standstill Agreement; and
- (h) certain offshore and onshore indebtedness, details of which are set out in section 5 (*Background to the Company, the China Aoyuan Group and the China Aoyuan Group's principal financial indebtedness*) (to the extent that these remain outstanding); as mentioned in section 6.9 (*Discussions with onshore creditors*), the Company has also been in discussions with certain lenders under these loans and has, amongst others, obtained informal standstills or otherwise reached repayment agreements or agreements to extend the maturity of some of these loans, subject to certain conditions.

#### 10.5 Proceedings

As at 18 October 2023, other than the ongoing litigation set out in section 6.7(c) above, there are no ongoing litigation or arbitration proceedings against the China Aoyuan Group. To the best of the knowledge and belief of the directors of the Company, as at 18 October 2023, no material litigation or arbitration proceedings have been commenced against any member of the China Aoyuan Group, apart from the ongoing litigation set out in section 6.7(c) above.

## 11. RISK FACTORS

All statements in this Explanatory Statement are to be read subject to, and are qualified in their entirety by, the matters referred to in this section 11.

The risk factors described below are those that the Company believes are potentially significant, but this should not be regarded as a comprehensive statement of all potential risks and uncertainties relating to the Restructuring or the China Aoyuan Schemes. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may become material and have a material adverse effect on the business, financial condition or results of operations of the China Aoyuan Group, and no assurance can be given that all material risks relating to the China Aoyuan Group are set out below.

This Explanatory Statement also contains forward-looking statements, which involve risks and uncertainties of their own. Actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors and circumstances, including the risks and uncertainties described in this Explanatory Statement.

Unless otherwise indicated or defined in this Explanatory Statement, all capitalised terms used below shall have the meanings given to those terms in the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed or the Aoyuan Perpetuals Fiscal Agency Agreement.

### 11.1 Risks relating to the China Aoyuan Schemes

*Scheme Creditors may not approve the China Aoyuan Schemes*

- (a) In order for the China Aoyuan Schemes to become effective, the China Aoyuan Schemes must be approved by a majority in number representing 75% or more in value of the Scheme Creditors present, in person or by proxy, and voting at each Scheme Meeting. If the requisite majorities of Scheme Creditors do not vote in favour of the China Aoyuan Schemes at the Scheme Meeting, the Restructuring will not be undertaken pursuant to the China Aoyuan Schemes and Add Hero Schemes or possibly at all.
- (b) Pursuant to and subject to the terms of the Restructuring Support Agreement, any Scheme Creditor that is a party to or has acceded to the Restructuring Support Agreement is bound to comply with the terms of the Restructuring Support Agreement, including (among other things) to:
  - (i) vote and deliver within any applicable time periods any proxies, instructions, directions or consents in respect of all Existing Notes Debt in which it holds a beneficial interest as principal, including (without limitation) to vote in favour of the China Aoyuan Schemes in respect of the Existing Debt in which it holds a beneficial interest as principal at the Record Date at the Scheme Meeting or any similar creditors' meeting held in respect of any parallel or similar process or arrangement in any relevant jurisdiction for the purposes of implementing all or any part of the Restructuring, provided that the China Aoyuan Schemes and/or such other parallel or similar process or arrangement is consistent in all material aspects with the terms as set out in the Term Sheets; and
  - (ii) not challenge, object to or support any challenge or objection to any term of the China Aoyuan Schemes or any other restructuring process which the Company proposes in order to implement the Restructuring, provided that the China Aoyuan Schemes or any other restructuring process and any

Restructuring Documents are materially consistent with the terms as set out in the Term Sheets.

- (c) Although Scheme Creditors which are party to the Restructuring Support Agreement are expected to vote in favour of the China Aoyuan Schemes, in the event that the Restructuring Support Agreement is terminated in accordance with its terms, any Scheme Creditor that was party to the Restructuring Support Agreement would cease to be bound by its obligation to support the China Aoyuan Schemes.

*Even if the Scheme Creditors approve the China Aoyuan Schemes, the China Aoyuan Schemes may be objected to and may not be completed*

- (d) Even if the China Aoyuan Schemes are approved at the Scheme Meeting, any Scheme Creditor (including any Scheme Creditor who voted or gave instructions to someone to vote on their behalf at the Scheme Meeting) may appear at the China Aoyuan HK Scheme Sanction Hearing and/or the China Aoyuan Cayman Scheme Sanction Hearing in order to make representations that the China Aoyuan Schemes should not be approved and to object to the granting of the China Aoyuan HK Scheme Sanction Order or the China Aoyuan Cayman Scheme Sanction Order. The HK Court and/or the Cayman Court may also be prepared to hear such representations and objections of any other person whom they are satisfied has a substantial economic interest in the China Aoyuan Schemes. Therefore, it is possible that objections will be made at or before the China Aoyuan HK Scheme Sanction Hearing and/or the China Aoyuan Cayman Scheme Sanction Hearing and that any such objections will delay or possibly prevent the China Aoyuan Schemes from being sanctioned and becoming effective.
- (e) Further, even if the HK Court and the Cayman Court approve the China Aoyuan Schemes, it is possible for any person who opposed the sanctioning of the China Aoyuan Schemes at the China Aoyuan HK Scheme Sanction Hearing and/or the China Aoyuan Cayman Scheme Sanction Hearing to appeal against the granting of the China Aoyuan HK Scheme Sanction Order and/or the China Aoyuan Cayman Scheme Sanction Order. Any such appeals and/or subsequent litigation could delay the China Aoyuan Schemes becoming effective or possibly prevent the China Aoyuan Schemes from becoming effective at all.

*Effectiveness of the China Aoyuan HK Scheme requires the sanction of the HK Court*

- (f) In order for the China Aoyuan HK Scheme to become effective under Hong Kong law, the HK Court must sanction the China Aoyuan HK Scheme.
- (g) The HK Court has the discretion over whether or not to sanction the China Aoyuan HK Scheme and will need to be satisfied that, among other things:
  - (i) the Scheme Meeting was convened and held in accordance with the China Aoyuan HK Scheme Convening Order;
  - (ii) the China Aoyuan HK Scheme was approved by the requisite majorities of those Scheme Creditors who voted at the Scheme Meeting in person or by proxy; and
  - (iii) the China Aoyuan HK Scheme is one which might reasonably be approved by an intelligent and honest man acting as a member of the class of creditors concerned and in respect of his interest,

and, in addition, the HK Court will have regard to the following: (A) that the class of Scheme Creditors voting in respect of the China Aoyuan HK Scheme was properly constituted; (B) that the provisions of the Hong Kong Companies Ordinance have

been complied with; (C) that the class of Scheme Creditors was fairly represented by those who attended the meeting and that the statutory majority was acting bona fide and was not coercing the minority in order to promote interests adverse to the Scheme Creditors (as a class of creditors); and (D) whether there is any blot on the China Aoyuan HK Scheme.

- (h) There can be no assurance that the HK Court will approve the China Aoyuan HK Scheme. If the HK Court does not approve the China Aoyuan HK Scheme, or approves it subject to conditions or amendments which: (i) the Company deems unacceptable; or (ii) would have (directly or indirectly) a material adverse effect on the interests of any Scheme Creditors and such conditions and amendments are not approved by the Scheme Creditors, the China Aoyuan HK Scheme will remain ineffective.

*Effectiveness of the China Aoyuan Cayman Scheme requires the sanction of the Cayman Court*

- (i) In order for the China Aoyuan Cayman Scheme to become effective under Cayman law, the Cayman Court must sanction the China Aoyuan Cayman Scheme.
- (j) The Cayman Court has the discretion over whether or not to sanction the China Aoyuan Cayman Scheme and will need to be satisfied that, among other things:
  - (i) the Scheme Meeting was convened and held in accordance with the China Aoyuan Cayman Scheme Convening Order;
  - (ii) the China Aoyuan Cayman Scheme was approved by the requisite majorities of those Scheme Creditors who voted at the Scheme Meeting in person or by proxy; and
  - (iii) the China Aoyuan Cayman Scheme is one which might reasonably be approved by an intelligent and honest man acting as a member of the class of creditors concerned and in respect of his interest,

and, in addition, the Cayman Court will have regard to the following: (A) that the class of Scheme Creditors voting in respect of the China Aoyuan Cayman Scheme was properly constituted; (B) that the provisions of the Cayman Companies Act have been complied with; (C) that the class of Scheme Creditors was fairly represented by those who attended the meeting and that the statutory majority was acting bona fide and was not coercing the minority in order to promote interests adverse to the Scheme Creditors (as a class of creditors); and (D) whether there is any blot on the China Aoyuan Cayman Scheme.

- (k) There can be no assurance that the Cayman Court will approve the China Aoyuan Cayman Scheme. If the Cayman Court does not approve the China Aoyuan Cayman Scheme, or approves it subject to conditions or amendments which: (i) the Company deems unacceptable; or (ii) would have (directly or indirectly) a material adverse effect on the interests of any Scheme Creditors and such conditions and amendments are not approved by the Scheme Creditors, the China Aoyuan Cayman Scheme will remain ineffective.

*The implementation of the China Aoyuan Schemes and the Restructuring may result in adverse and/or complex tax consequences to Scheme Creditors*

- (l) The Company is not providing tax advice to any Scheme Creditor in connection with the Restructuring, and each Scheme Creditor should consult its own tax adviser regarding tax consequences of the Restructuring in any relevant jurisdiction.

*If the Restructuring Conditions are not satisfied or waived, the Restructuring may not be completed*

- (m) The Restructuring will not become effective unless the Restructuring Conditions are satisfied or waived in accordance with the terms of the China Aoyuan Schemes or the Restructuring Documents (as applicable) and the Restructuring Effective Date occurs. If this does not occur, it will not be possible to complete the Restructuring. While there is a risk that the relevant parties to the Restructuring Documents may disagree as to when a condition precedent has been satisfied or waived (or will refuse to waive a condition precedent), the Company anticipates that most of the Restructuring Conditions are capable of being satisfied prior to the Scheme Effective Date or will be satisfied by actions to take place on or after the Scheme Effective Date.

*Scheme Creditors are responsible for complying with the procedures set out in this Explanatory Statement*

- (n) Scheme Creditors are solely responsible for complying with all of the procedures of the China Aoyuan Schemes, including, but not limited to, submitting Account Holder Letters, Lender Proxy Forms and/or Blocked Scheme Creditor Forms (as applicable) in accordance with the instructions and information provided to Scheme Creditors in this Explanatory Statement, as applicable. Further details on voting at the Scheme Meeting are set out in the Solicitation Packet.

*Scheme Creditors are responsible for assessing the merits of the Restructuring and the China Aoyuan Schemes*

- (o) Each Scheme Creditor is responsible for independently assessing the merits of the Restructuring and the China Aoyuan Schemes. This Explanatory Statement has been prepared without taking into account the objectives, financial situation or needs of any particular recipient of it and, consequently, the information contained in this Explanatory Statement may not be sufficient or appropriate for the purpose for which a recipient might use it. Any such recipient should conduct its own due diligence and consider the appropriateness of the information in this Explanatory Statement having regard to its own objectives, financial situations and needs, and make an assessment of how this Explanatory Statement and the China Aoyuan Schemes will affect them.

## **11.2 Risks relating to a failure to implement or a delay in implementing the China Aoyuan Schemes**

*The Restructuring may not be completed in accordance with the timeline envisaged by this Explanatory Statement*

- (a) Factors unknown to the Company as at the date of this Explanatory Statement may result in delays to the completion of the Restructuring. There is no guarantee that the Restructuring Effective Date will occur by the Longstop Date, at which time those Scheme Creditors who are parties to the Restructuring Support Agreement will no longer be bound by their obligations under the Restructuring Support Agreement to support the Restructuring and not to take action against the Company and/or any member of the China Aoyuan Group, and the China Aoyuan Schemes will lapse.
- (b) The Longstop Date may, however, be extended in accordance with the terms of the China Aoyuan Schemes and Restructuring Support Agreement.

*The Company has short-term funding needs to continue operations until the implementation of the China Aoyuan Schemes and the Restructuring*

- (c) As at 30 June 2023, the China Aoyuan Group had RMB6,937.4 million in cash and cash equivalents. While Management believes that its cash position should suffice to continue operations until the implementation of the China Aoyuan Schemes and the Restructuring, there may be unforeseen circumstances, including a delay in the implementation of the China Aoyuan Scheme, which may cause the Company to require additional short-term funding. If the Company is unable to obtain, at favourable rates or at all, such additional short-term funding, it may be unable to implement the China Aoyuan Schemes and the Restructuring.

*Insolvency Proceedings if the Restructuring is not implemented promptly*

- (d) The Existing Debt is due and payable as at the date of this Explanatory Statement and the Company was obliged to repay the principal amount and accrued interest under the Existing Debt on each of their respective maturity dates. Various events of default have arisen under the Existing Debt and various holders of the Existing Debt have taken actions in respect of the Existing Debt (which are detailed at section 6.7 (*Non-payments under the Existing Debt and action taken by certain Existing Lenders and Existing Noteholders*)).
- (e) Should the China Aoyuan Schemes and the Restructuring not be implemented, the scope and feasibility of an alternative workable transaction, liquidity solution and/or medium to long-term plan to address the China Aoyuan Group's difficulties will be limited, given the China Aoyuan Group's current business operations, financial position, available financing sources, and cash flow position.
- (f) Accordingly, should the China Aoyuan Schemes and the Restructuring not proceed, the Company will be unable to comply with its obligations under the Existing Debt, and the China Aoyuan Group will likewise be unable to comply with its obligations in connection with the other outstanding indebtedness of the China Aoyuan Group and there is a material risk that certain of the Scheme Creditors, as well as onshore creditors of the China Aoyuan Group, will pursue enforcement actions against the Company and/or the other Existing Debt Obligors and/or any other subsidiaries of the Company in respect of their outstanding obligations. In these circumstances, it is likely that members of the China Aoyuan Group would likely be required to make, or cause the Company to make, an application to the Cayman Court or courts in other relevant jurisdictions as applicable to place the Company and/or certain other members of the China Aoyuan Group into liquidation or other appropriate Insolvency Proceedings to facilitate an orderly winding-up and realisation of their assets for the benefit of the creditors of the Company and/or the relevant members of the China Aoyuan Group.
- (g) If the Company and other members of the China Aoyuan Group are placed into formal Insolvency Proceedings, the proceeds available to Scheme Creditors will likely be reduced to a level that is considerably lower than the potential value of the consideration they would receive under the China Aoyuan Schemes (as per the Liquidation Analysis set out in Appendix 7 (*Liquidation Analysis*)).

### 11.3 Risks following the implementation of the China Aoyuan Schemes

*The China Aoyuan Group's financial performance and business operations have been and will continue to be affected by adverse market conditions, and the Company may not be able to generate sufficient cash to fully address its financial commitments*

- (a) Since the second half of 2021, PRC property developers and the capital markets that have funded growth and development of the sector have experienced a number of adverse developments, including:
  - (i) reduced bank lending for real estate development and access to onshore and offshore capital by property developers;
  - (ii) reduced bank lending for mortgage finance for buyers, combined with concerns of buyers about the ability of property developers to complete projects, resulting in reduced property sales;
  - (iii) tightened restrictions on the use of pre-sale proceeds under PRC law; and
  - (iv) a material decrease in aggregate contracted sales and a substantial reduction in prices for residential units across the sector.
- (b) There has been negative news relating to numerous Chinese property companies, including news relating to defaults on their indebtedness. This has had a further negative impact on, and has resulted in increased volatility in, the property sector in the PRC. Such defaults have had and will continue to have an adverse impact on the ability of PRC property developers, management companies and potential property purchasers to obtain financing, weaken consumer confidence and demand in PRC real estate and increase market volatility. There is no guarantee that the situation will improve, and the property market may continue to experience significant contraction. In addition, there may be more companies in the PRC real estate sector who are unable to pay their debts when due and default on their indebtedness, which may further destabilise the PRC real estate market. There cannot be any assurance that the China Aoyuan Group will be able to refinance its existing indebtedness and/or generate sufficient cash to fully address its financial commitments in these conditions.

*The China Aoyuan Group is and will continue to be dependent on the performance of the PRC property market*

- (c) The China Aoyuan Group depends on its property developments for a substantial portion of its revenue. As at 31 December 2022, the China Aoyuan Group has 267 property projects in the PRC in various stages of development. Any over-development, market downturn, or fluctuations in property prices in the PRC in general, will have a material adverse impact on the China Aoyuan Group's business, prospects, financial condition and results of operations. If the China Aoyuan Group does not respond to changes in market conditions and customer preferences in a timely manner, its business, prospects, financial condition and results of operations may be materially and adversely affected. In addition, the PRC property market is affected by many factors, including changes in the PRC's political, economic and legal environment, and the PRC government may from time to time revise its fiscal and monetary policies to adjust the growth rate of the PRC's national economy and local economies, and such policy changes may affect the real estate market in the regions where the China Aoyuan Group has or will have property developments.
- (d) Moreover, the China Aoyuan Group's commercial property investment, management and hotel operations business segments are also impacted by the current market conditions impacting the PRC real estate market and subject to risks



incidental to the ownership and operation of commercial properties, including volatility in market rental rates and occupancy levels, competition for contracts, costs resulting from ongoing maintenance and repair and inability to collect management fees or management contracts with various property developers and property owners due to bankruptcy, insolvency, financial difficulties or other reasons. In addition, the China Aoyuan Group may not be able to renew leases with tenants on terms acceptable to the China Aoyuan Group, or increase rental rates to the level of the then prevailing market rate, or at all, upon the expiry of the existing terms. The China Aoyuan Group may also not be able to enter into management contracts at the management fees expected, given that such fees are regulated by PRC laws and regulations. All these factors could negatively affect the demand for the China Aoyuan Group's investment properties, management and rental income, which could have a material and adverse effect on these business segments.

- (e) The business, operations, financial condition and prospects of the Company and other members of the China Aoyuan Group are subject to numerous risks, including, among other things, changes in government regulations and policies, including, but not limited to, those relating to the real estate industry; supply and demand changes in the Chinese property market; volatility of and changes in property prices; failure to obtain sufficient funding for the China Aoyuan Group's acquisition and future operation developments, business operations or repayment of the China Aoyuan Group's indebtedness; failure to acquire land reserves in desirable locations suitable for development at commercially acceptable prices in the future; failure to obtain or renew any or all relevant approvals, licences, and permits; failure to collect the China Aoyuan Group's loan receivables; change in demand for commercial and residential properties; the China Aoyuan Group's construction and sales capabilities; the relationship of the Company and other members of the China Aoyuan Group with their joint venture and associated company partners, customers and third-party contractors; increases in development and construction costs; delays in construction and delivery of properties; risks inherent in property development, leasing, sales and operations; competition; inflationary trends; interest rate changes; changes in currency exchange rates; environmental, safety and health laws and regulations and political, economic, legal and social conditions in the PRC.

*The real estate industry and the property market are heavily influenced by PRC government regulations and policies*

- (f) The PRC government exerts considerable direct and indirect influence on the development of the PRC property sector by imposing industry-wide policies and other economic measures, such as control of foreign exchange, taxation, financing available and foreign investment. These measures may raise benchmark interest rates of commercial banks, place additional limitations on the ability of commercial banks to make loans to property developers, impose additional taxes and levies on property sales, restrict foreign investment in the PRC property sector, restrict domestic individuals from purchasing properties in some cities in the PRC or require property developers to deleverage. Many of the policies introduced by the PRC government in the property sector are unprecedented and are expected to be refined and improved over time. This refining and adjustment process may not necessarily have a positive effect on the China Aoyuan Group's business, operations, financial condition and prospects.

*The Company may be subject to PRC withholding taxes on interest it pays on the Aoyuan New Notes and/or Aoyuan Perpetuals (as applicable)*

- (g) According to relevant PRC laws and regulations, (i) if the PRC tax authorities consider the Company to be a PRC resident enterprise, (ii) to the extent such withholding tax payments are deemed to be income sourced within the PRC, and (iii) provided that there are no tax treaties between China and those countries or

regions which exempt or reduce such withholding tax, the Company is obliged to withhold PRC income tax of up to 10% on interest paid and other related amounts on the Aoyuan New Notes and/or Aoyuan Perpetuals (as applicable) to holders of the Aoyuan New Notes and/or Aoyuan Perpetuals (as applicable) who are non-PRC resident enterprises, or up to 20% on interest paid to non-PRC individual holders. Similarly, any gain realised by such non-PRC resident enterprise or non-PRC individual holders from the transfer of the Aoyuan New Notes and/or Aoyuan Perpetuals (as applicable) would be regarded as being derived from sources within the PRC and would accordingly be subject to 10% or 20% PRC withholding tax, respectively.

*The China Aoyuan Group is involved from time to time in disputes and administrative, legal and other proceedings arising out of its operations and may face significant liabilities as a result*

- (h) The China Aoyuan Group is involved in disputes with various parties arising out of its operations, including, but not limited to, its customers, suppliers and creditors. These disputes may lead to legal or other proceedings and may result in damage to the China Aoyuan Group's reputation, the incurrence of substantial costs and the diversion of resources and management's attention.
- (i) The China Aoyuan Group has received, and may continue to receive, claims from its customers, suppliers and/or creditors and enforcement actions from its creditors in respect of its financial and other obligations. As a result of these events, the China Aoyuan Group may be involved in more disputes with various parties such as its customers, suppliers and creditors. Although the China Aoyuan Group has been actively engaging with its customers, suppliers, creditors and shareholders in stabilising its credit lines and day-to-day operations, there is no assurance that the China Aoyuan Group will not be subject to any additional disputes and administrative, legal and other proceedings arising out of its operations, that the China Aoyuan Group will successfully resolve such disputes and proceedings to its satisfaction, or that any judgment or ruling in respect of such disputes and proceedings would be in favour of the China Aoyuan Group.
- (j) Although the China Aoyuan Group strives to maintain proper internal control, there is no assurance that its internal control measures will be effective and there will not be any non-compliance incidents in the future. The China Aoyuan Group has been involved in certain investigations into its internal control and may be involved in such potential investigations by regulatory bodies in the PRC, Hong Kong and other applicable jurisdictions in the future. Such investigations may result in fines, financial and business losses, reputational damages and other material adverse effects on the China Aoyuan Group's business operation and financial performance.
- (k) The China Aoyuan Group cannot assure you that it has been, or will be, in strict compliance with all applicable laws and regulations. In addition, PRC laws, rules or regulations governing the real estate industry have been evolving rapidly, and there can be no assurance that the China Aoyuan Group will not be subject to fines or penalties arising from non-compliance incidents if it fails to adapt to the new regulatory regime in a timely manner, or at all, which may have a material adverse effect on its business, financial condition and results of operations.

#### **11.4 Risks relating to the Aoyuan New Securities**

*The Company is a holding company and payments with respect to the Aoyuan New Securities are structurally subordinated to liabilities, contingent liabilities and obligations of the Company's subsidiaries*

- (a) The Company is a holding company with limited assets and has no material business operations other than issuing the Aoyuan New Securities and engaging in

related transactions and future issuances of debt securities on substantially similar terms to the Aoyuan New Securities. The China Aoyuan Group conducts its operations primarily through its PRC subsidiaries. The Aoyuan New Securities are not guaranteed and will not be guaranteed by any current or future PRC subsidiaries. The China Aoyuan Group's primary assets are loans to and ownership interests in its PRC subsidiaries. Accordingly, the Company's ability to pay principal, interest and/or distribution on the Aoyuan New Securities will depend upon its receipt of principal and interest payments on the intercompany loans, distributions of dividends and advances from its subsidiaries, including the PRC subsidiaries. If the Company experiences difficulties receiving funds from the China Aoyuan Group's PRC subsidiaries due to profitability, regulatory or other reasons (including restrictions on the payment of dividends and other amounts contained in the relevant financing and other arrangements of the PRC subsidiaries), the Company may in turn experience difficulties servicing its offshore debt, including, but not limited to, the Aoyuan New Securities.

- (b) Furthermore, substantially all of the China Aoyuan Group's existing operating subsidiaries or entities are incorporated in the PRC and none of them will guarantee the Aoyuan New Securities upon the issuance of the Aoyuan New Securities or at any time in the future. Accordingly, the Company's payment obligations under the Aoyuan New Securities will not rank *pari passu* in right of payment with, but will be effectively subordinated to, all existing and future obligations of the China Aoyuan Group's PRC-incorporated operating subsidiaries (including their obligations under guarantees they issued in connection with the China Aoyuan Group's business), and all claims of creditors of the non-guarantor subsidiaries (including the holders of the Add Hero Notes) will have priority as to the assets of such entities over the Company's claims and those of the Company's creditors, including holders of the Aoyuan New Securities. The Aoyuan New Securities and the Aoyuan New Finance Documents permit the Company and the non-guarantor subsidiaries to incur additional indebtedness and issue additional guarantees, subject to certain limitations. In addition, the Company's secured creditors would have priority as to the Company's relevant assets securing the related obligations over claims of holders of the Aoyuan New Securities to the extent that those assets do not also secure the Aoyuan New Securities.

*The China Aoyuan Group has substantial indebtedness and may incur substantial additional indebtedness in the future, which could adversely affect the China Aoyuan Group's financial health and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations*

- (c) As at 30 June 2023, the China Aoyuan Group's total bank and other borrowing amounted to approximately RMB74.5 billion and senior notes and corporate bonds of approximately RMB34.4 billion. See section 5.6 (*Summary of the Company's principal financial indebtedness*) for further details. Indebtedness of the China Aoyuan Group falling outside the scope of the Restructuring will not be compromised as part of the China Aoyuan Schemes and the Add Hero Schemes. There is no assurance that the Company will be able to service such indebtedness or cure, acquire waivers in respect of or otherwise resolve any existing or future defaults in respect of such indebtedness.
- (d) The China Aoyuan Group's substantial indebtedness could have important consequences for a holder of the Aoyuan New Securities. For example, it could:
  - (i) limit the Company's ability to satisfy its obligations under the Aoyuan New Securities and other debt;
  - (ii) increase its vulnerability to adverse general economic and industry conditions;

- (iii) require it to dedicate a substantial portion of its cash flow from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flow to fund working capital, capital expenditures and for other general corporate purposes;
  - (iv) limit its flexibility in planning for or reacting to changes in its businesses and the industry in which it operates;
  - (v) place the China Aoyuan Group at a competitive disadvantage compared to its competitors that have less debt;
  - (vi) limit, along with the financial and other restrictive covenants of its indebtedness, its ability to borrow additional funds; and
  - (vii) increase the cost of additional financing.
- (e) The China Aoyuan Group may from time to time incur additional indebtedness and contingent liabilities. Although the Aoyuan New Finance Documents restrict the Restricted Group from incurring additional debt and contingent liabilities, these restrictions are subject to important exceptions and qualifications. If the China Aoyuan Group incurs additional debt, the risks that it faces as a result of its existing indebtedness and leverage could intensify.
- (f) The China Aoyuan Group's ability to generate sufficient cash to satisfy its outstanding and future debt obligations will depend upon its future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors, many of which are beyond the China Aoyuan Group's control. If the China Aoyuan Group is unable to service its indebtedness, it will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing its indebtedness or seeking equity capital. These strategies may not be implemented on satisfactory terms, if at all, including due to restrictions placed upon the Restricted Group in the Aoyuan New Finance Documents.
- (g) In addition, the terms of the Aoyuan New Finance Documents prohibit the Restricted Group from incurring additional indebtedness unless they are able to meet certain applicable restrictions. Their ability to meet such applicable restrictions may be affected by events beyond their control. Such restrictions in the Aoyuan New Finance Documents and the other financing arrangements may impair the China Aoyuan Group's ability to react to changes in market conditions, take advantage of business opportunities it believes to be desirable, obtain future financing, fund required capital expenditures or withstand a continuing or future downturn in its business. Any of these factors could materially and adversely affect the Company's abilities to satisfy its obligations under the Aoyuan New Securities and other debt.

*Servicing the China Aoyuan Group's indebtedness will require a significant amount of cash and its ability to generate cash depends on many factors beyond its control*

- (h) The China Aoyuan Group's ability to make payments on and to refinance its indebtedness, including the Aoyuan New Notes, and to fund planned capital expenditures and project development will depend on its ability to generate cash. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the China Aoyuan Group's control.
- (i) The China Aoyuan Group's business might not generate cash flow from operations in an amount sufficient to enable it to pay its indebtedness, including the Aoyuan New Notes, or to fund its other liquidity needs. The China Aoyuan Group's operation, financial performance and ability to service its indebtedness may

continue to be affected by the decrease in sales and property price, suspension on construction work, restraints on obtaining new financing, ongoing and potential disputes with creditors, business partners, customers and others, volatility in the property sector and the capital markets and other factors. The China Aoyuan Group may need to refinance all or a portion of its indebtedness (some of which matures prior to the Aoyuan New Notes), including the Aoyuan New Notes, on or before maturity. The China Aoyuan Group might not be able to refinance any of its indebtedness on commercially reasonable terms or at all.

- (j) If the Company is unable to comply with the terms of the Aoyuan New Notes Indenture or any of its existing or future debt obligations and other agreements, there could be a default under those agreements. If that occurs, the holders of the debt could accelerate repayment of the debt (including the debt under the Aoyuan New Notes) and declare all outstanding amounts due and payable and enforce all or any of the security or terminate the agreements, as the case may be. Furthermore, some of the China Aoyuan Group's debt agreements, including the Aoyuan New Notes Indenture, contain, and the China Aoyuan Group's future debt agreements are likely to contain, cross-acceleration or cross-default provisions. As a result, the default of the Company or any Principal Subsidiary under one debt agreement may cause the acceleration of repayment of not only such debt but also other debt, including the Aoyuan New Notes, or result in a default under the China Aoyuan Group's other debt agreements, including the Aoyuan New Notes Indenture. If any of these events occur, the China Aoyuan Group's assets and cash flow might not be sufficient to repay in full all of its indebtedness that has been accelerated and it might not be able to find alternative financing to repay such indebtedness on commercially reasonable terms or at all.

*The China Aoyuan Group's operations are restricted by the terms of the Aoyuan New Securities, which could limit its ability to plan for or to react to market conditions or meet its capital needs, which could increase the credit risk of a holder of the Aoyuan New Securities*

- (k) The Aoyuan New Finance Documents governing the Aoyuan New Securities include a number of significant restrictive covenants. In particular, the covenants of the Aoyuan New Notes and the Aoyuan Perpetuals restrict, among other things, the Restricted Group, to:
  - (i) incur or guarantee additional Indebtedness and issue disqualified or preferred stock;
  - (ii) declare dividends on its Capital Stock or purchase or redeem Capital Stock;
  - (iii) make investments or other specified Restricted Payments;
  - (iv) issue or sell Capital Stock of Restricted Subsidiaries;
  - (v) guarantee Indebtedness of Restricted Subsidiaries;
  - (vi) sell, lease or transfer assets;
  - (vii) create liens;
  - (viii) enter into certain Sale and Leaseback Transactions;
  - (ix) engage in any business other than Permitted Business;
  - (x) enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
  - (xi) enter into transactions with equity holders or affiliates; and

- (xii) effect a consolidation or merger.
- (l) These covenants could limit the China Aoyuan Group's ability to plan for or react to market conditions or to meet its capital needs. The China Aoyuan Group's ability to comply with these covenants may be affected by events beyond its control, and it may have to curtail some of its operations and growth plans to maintain compliance.

*Certain material terms of the Aoyuan New Finance Documents may be modified, amended or waived with the consent of holders of not less than 75% in aggregate principal amount of the respective outstanding Aoyuan New Securities, which may adversely affect the interests of the respective holders of the Aoyuan New Securities and increase the credit risks of the Aoyuan New Securities*

- (m) Typically, certain major terms of an indenture may only be modified, amended or waived with the consent of each holder of the outstanding notes affected thereby.
- (n) Under the Aoyuan New Finance Documents, amendments, modifications or waivers that would have required the consent of each holder affected thereby under the Existing Public Notes would only require the consent of the respective holders of not less than 75% in aggregate principal amount of the then outstanding Aoyuan New Securities, which includes, amongst other things, modifying the due date for any payment and reducing the principal amount, premium, interests or Distributions (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) payable in respect of the Aoyuan New Securities.
- (o) The reduced threshold for the amendment, modification or waiver of material terms of the Aoyuan New Securities will reduce the protection afforded to the holders of the Aoyuan New Securities, which may adversely affect the interests of the holders of the Aoyuan New Securities and increase the credit risk of the Aoyuan New Securities.

*The events of default provision under the Aoyuan New Notes will carve out any cross-default events arising or resulting from or related to any Existing Onshore Indebtedness and any existing Indebtedness of the Company or any Principal Subsidiary incorporated outside the PRC that will not be compromised under the China Aoyuan Schemes and the Add Hero Schemes.*

- (p) The events of default provision under the Aoyuan New Notes carves out any cross-default and judgment default events arising or resulting from or related to any Existing Onshore Indebtedness and any existing Indebtedness of the Company or any Principal Subsidiary incorporated outside the PRC that will not be compromised under the China Aoyuan Schemes and the Add Hero Schemes (together, the **"Excluded Indebtedness"**). In addition, the events of default provision under the Aoyuan New Notes also carves out any involuntary case or proceeding commenced based on the Excluded Indebtedness under any applicable bankruptcy, insolvency or other similar law, and such events upon the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any significant restricted subsidiary or for all or substantially all of the property and assets of the Company or any significant restricted subsidiary solely for the purpose of defending against any remedy exercised under the Excluded Indebtedness by any holder or the trustee thereof. Holders of the Aoyuan New Notes may face more uncertainty and potentially higher credit risk in this regard if any default occurs with respect to our other indebtedness, including the Excluded Indebtedness, because such other indebtedness could become immediately due and payable upon such defaults, and the Company has to settle or repay such indebtedness, but payment of the Aoyuan New Notes would not be accelerated and holders of the Aoyuan New Notes would continue to hold the Aoyuan New Notes without recourse to any cross-default.

*The Company may not be able to complete Healthy Life Sales at the required prices or within the required timeframe, in which case the Company may not be able to redeem the Aoyuan New Notes at favourable amounts or at all*

- (q) The Company is obliged to negotiate, agree, enter into and consummate one or more Healthy Life Sale(s), in each case at a price equivalent to a price per Healthy Life Share of no less than 85% of the 30 Trading-day Volume Weighted Average Price of the Healthy Life Shares, such that on or before the date falling on two years after the Restructuring Effective Date, the Company shall have disposed of all Healthy Life Shares it directly or indirectly holds. However, the Company may not be able to consummate any Healthy Life Sale at the required prices on or before the date falling on two years after the Restructuring Effective Date, in which case the Company may not be able to redeem the Aoyuan New Notes with the Healthy Life Net Proceeds at favourable amounts or at all.

*The Company may not be able to repurchase the Aoyuan New Notes upon a Change of Control*

- (r) The Company is required to offer to purchase all outstanding Aoyuan New Notes upon the occurrence of a Change of Control at a purchase price equal to 101% of the Accreted Value thereof plus accrued and unpaid interest. The source of funds for any such purchase would be the Company's available cash or third-party financing. However, it may not have enough available funds at the time of the occurrence of any Change of Control to make purchases of the outstanding Aoyuan New Notes. The failure to make the offer to purchase or to purchase the outstanding Aoyuan New Notes would constitute an event of default under the Aoyuan New Notes Indenture. This may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If its other debt were to be accelerated, the Company may be more distressed and may not have sufficient funds to repay the debt.
- (s) In addition, the definition of Change of Control does not necessarily afford protection for the holders of the Aoyuan New Notes in the event of some highly leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalisations, although these types of transactions could increase the China Aoyuan Group's indebtedness or otherwise affect its capital structure or credit ratings. The definition of Change of Control for the purposes of the Aoyuan New Notes Indenture also includes a phrase relating to the sale of "all or substantially all" of the Restricted Group's assets. Although there is a limited body of case law interpreting the phrase "substantially all", there is no precise established definition under applicable law. Accordingly, the Company's obligation to make an offer to purchase the Aoyuan New Notes, and the ability of a holder of the Aoyuan New Notes to require the Company to purchase its Aoyuan New Notes pursuant to the offer as a result of a highly leveraged transaction or a sale of less than all of its assets, may be uncertain.

*The liquidity and price of the Aoyuan New Securities following the Restructuring may be volatile*

- (t) The price and trading volume of the Aoyuan New Securities may be highly volatile. Factors such as variations in the China Aoyuan Group's revenues, earnings and cash flows and proposals for new investments, strategic alliances and acquisitions, interest rates, the general state of the securities market and fluctuations in price for comparable companies could cause the price of the Aoyuan New Securities to change. Any such developments may result in large and sudden changes in the trading volume and price of the Aoyuan New Securities. There is no assurance that these developments will not occur in the future.

*A trading market for the Aoyuan New Securities may not develop, and there are restrictions on the resale of some of the Aoyuan New Securities*

- (u) The Aoyuan New Securities are a new issue of securities for which there is currently no trading market. While application will be made for the listing and quotation of the Aoyuan New Securities on the official list of the SGX-ST, there is no assurance that the Company will be able to obtain or maintain a listing on the SGX-ST or on any recognised securities exchange and, even if listed, a liquid trading market may not develop. If no active trading market develops, a holder of the Aoyuan New Securities may not be able to resell its Aoyuan New Securities at their fair market value or at all. Future trading prices of the Aoyuan New Securities will depend on many factors, including prevailing interest rates, the China Aoyuan Group's operating results and the market for similar securities, which may be beyond the China Aoyuan Group's control.
- (v) In addition, the Aoyuan New Securities are being offered pursuant to exemptions from registration under the U.S. Securities Act and, as a result, a holder of the Aoyuan New Securities will only be able to resell its Aoyuan New Securities in transactions that have been registered under the U.S. Securities Act or in transactions exempt from registration under the U.S. Securities Act. There may not be an active trading market for the Aoyuan New Securities and such a market may not be developed or sustained. If an active trading market for the Aoyuan New Securities does not develop or is not sustained, the market price and liquidity of the Aoyuan New Securities may be adversely affected.

*The transfer of the Aoyuan New Securities may be restricted, which may adversely affect their liquidity and the price at which they may be sold*

- (w) The Aoyuan New Securities have not been registered under, and the Company is not obliged and does not plan to register the Aoyuan New Securities under, the U.S. Securities Act or the securities laws of any other jurisdiction. The Aoyuan New Securities, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable laws. See "Important Securities Law Notices" at section 3 (*Important Securities Law Notices*). The China Aoyuan Group has not agreed to or otherwise undertaken to register the Aoyuan New Securities with the SEC or the securities regulatory authority of any other jurisdiction, and the China Aoyuan Group has no intention of doing so.

*The Aoyuan New Securities will initially be held in book-entry form, and therefore a holder of the Aoyuan New Securities must rely on the procedures of the relevant Clearing Systems to exercise any rights and remedies*

- (x) The Aoyuan New Securities will initially only be issued in global certificated form and held through Euroclear and Clearstream. Interests in one or more global Aoyuan New Securities representing the Aoyuan New Securities will trade in book-entry form only, and Aoyuan New Securities in definitive registered form will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of the Aoyuan New Securities for purposes of the Aoyuan New Finance Documents. The respective nominee for the Aoyuan New Notes Common Depositary, Aoyuan MCB Common Depositary and Aoyuan Perpetuals Common Depositary will be the sole registered holder of the respective global Aoyuan New Securities. Accordingly, a holder of the Aoyuan New Securities must rely on the procedures of Euroclear or Clearstream, and, if the holder is not a participant in Euroclear or Clearstream, on the procedures of the participant through which it owns its interest to exercise any rights and obligations of a holder of the Aoyuan New Securities under the Aoyuan New Notes or a Winding-Up of the Company under the Aoyuan Perpetuals. Upon the occurrence of an event of default under the Aoyuan New Finance Documents,



unless and until definitive registered Aoyuan New Securities are issued with respect to all book-entry interests, if a holder of the Aoyuan New Securities owns a book-entry interest, it will be restricted to acting through Euroclear or Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Aoyuan New Securities.

*Disclosure standards that apply to the China Aoyuan Group may differ from those in the United States or other jurisdictions*

- (y) The China Aoyuan Group's consolidated financial information is prepared in accordance with IFRS, which differs in certain respects from U.S. GAAP. As a result, the China Aoyuan Group's consolidated financial information and reported earnings could be significantly different if they were prepared in accordance with U.S. GAAP. No attempt has been made to quantify the impact of those differences. This Explanatory Statement does not contain reconciliation of the China Aoyuan Group's consolidated financial information to U.S. GAAP, and there is no assurance that such reconciliation would not reveal material differences. Scheme Creditors should consult their own professional advisers for an understanding of the differences between the IFRS and U.S. GAAP, and how these differences might affect the financial information herein.

*An investment in the Aoyuan New Securities is subject to exchange rate risks, and exchange controls may result in a holder of the Aoyuan New Securities receiving a lesser amount than expected*

- (z) The Company will pay principal, interest and/or distribution on the Aoyuan New Securities in U.S. dollars. This presents certain risks relating to currency conversions if a holder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than U.S. dollars. These include the risk that exchange rates may significantly change (including changes due to devaluation of the U.S. dollar or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the U.S. dollar would decrease: (i) the Investor's Currency equivalent yield on the Aoyuan New Securities; (ii) the Investor's Currency equivalent value of the principal payable on the Aoyuan New Securities, if any; and (iii) the Investor's Currency equivalent market value of the Aoyuan New Securities. Governments and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, a holder of the Aoyuan New Securities may receive a lesser amount than expected.

*The insolvency laws of the Cayman Islands and other local insolvency laws may differ from U.S. bankruptcy law or those of Hong Kong or another jurisdiction with which holders of the Aoyuan New Securities are familiar*

- (aa) Because the Company is incorporated under the laws of the Cayman Islands, an insolvency proceeding relating to the Company, even if brought in the United States, would likely involve Cayman Islands insolvency laws, the procedural and substantive provisions of which may differ from comparable provisions of United States federal bankruptcy law or of other jurisdictions with which the holders of the Aoyuan New Securities are familiar.
- (bb) The China Aoyuan Group conducts substantially all of its business operations through PRC-incorporated subsidiaries in the PRC. The Company, as equity holder in the China Aoyuan Group's PRC subsidiaries, is necessarily subject to the bankruptcy and insolvency laws of the PRC in a bankruptcy or insolvency proceeding involving any such PRC subsidiaries. The PRC laws and regulations relating to bankruptcy and insolvency and the legal proceedings in that regard may

significantly differ from those of the United States and other jurisdictions with which the holders of the Aoyuan New Securities are familiar.

- (cc) In addition, the Aoyuan New Securities are issued by the Company, which was incorporated under the laws of the Cayman Islands. The Aoyuan New Notes and the Aoyuan New Notes Indenture are governed by the laws of the State of New York, and the Aoyuan MCB, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals and the Aoyuan Perpetuals Fiscal Agency Agreement are governed by English law. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in two or more jurisdictions, such multi-jurisdictional proceedings are complex, may be costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Rights of the holders of the Aoyuan New Securities under the Aoyuan New Securities will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that holders of the Aoyuan New Securities will be able to effectively enforce their rights in such complex multiple bankruptcy, insolvency or similar proceedings. For instance, the bankruptcy, insolvency, administrative and other laws of two or more jurisdictions may conflict with each other, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply and could adversely affect the ability of holders of the Aoyuan New Securities to enforce their rights under the Aoyuan New Securities in the relevant jurisdictions or limit any amounts that holders of the Aoyuan New Securities may receive.

*The Company may be unable to obtain and remit foreign exchange*

- (dd) The Company's ability to satisfy its obligations under the Aoyuan New Securities depends solely upon the ability of the Company's subsidiaries to obtain and remit sufficient foreign currency to pay dividends to the Company and, if applicable, to repay shareholder loans.
- (ee) The PRC subsidiaries must present certain documents to SAFE, its authorised branch, or the designated foreign exchange bank, for approval, registration or filing before they can obtain and remit foreign currencies out of the PRC, including, in the case of dividends, evidence that the relevant PRC taxes have been paid and, in the case of shareholder loans, evidence of the registration of the loan with SAFE. Prior to payment of interest and principal on any shareholder loan granted by the Company to the China Aoyuan Group's PRC subsidiary, the relevant PRC subsidiary must also present evidence of payment of withholding tax at a rate of 10% or a lower tax treaty rate, if any, on the interest payable in respect of such shareholder loan. If any PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, the PRC subsidiary will be unable to pay the Company dividends or interest and principal on shareholder loans, which may affect the Company's ability to satisfy its obligations under the Aoyuan New Securities.

*The Company's subsidiaries are subject to restrictions on the payment of dividends and the repayment of intercompany loans or advances to the Company*

- (ff) The Company depends on the receipt of dividends and the interest and principal payments on intercompany loans or advances from the Company's subsidiaries, including its PRC subsidiaries, to satisfy its obligations, including its obligations under the Aoyuan New Securities. The ability of the Company's subsidiaries to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of its subsidiaries, applicable laws and restrictions contained in the debt instruments or agreements of

such subsidiaries. In addition, if any of the Company's subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such equity securities would not be available to the Company for the purpose of making payments on the Aoyuan New Securities. These restrictions could reduce the amounts that the Company receives from its subsidiaries, which would restrict its ability to meet payment obligations under the Aoyuan New Securities.

- (gg) PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations and such profits differ from profits determined in accordance with IFRS in certain significant respects, including the use of different bases of recognition of revenue and expenses. The Company's PRC subsidiaries are also required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends. In addition, starting from 1 January 2008, dividends for the year 2008 and onwards paid by the Company's PRC subsidiaries to their non-PRC parent companies will be subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated, which specifically exempts or reduces such withholding tax. Pursuant to an avoidance of a double taxation arrangement between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to 5%. However, according to a circular issued by SAT in October 2009, tax treaty benefits will be denied to "conduit" or shell companies without business substance.
- (hh) In addition, the Company's PRC subsidiaries are required to pay a 7% withholding tax on behalf of the Company on the interest paid under any shareholders' loans. As a result of such restrictions, there could be timing and other limitations on payments from the Company's PRC subsidiaries to meet payments required by the Aoyuan New Securities, and there could be restrictions on payments required to redeem the Aoyuan New Securities at maturity (if applicable) or as required for any mandatory redemption or early redemption.
- (ii) As a result of the foregoing, the Company cannot assure the holders of the Aoyuan New Securities that the Company will have sufficient cash flow from dividends from its subsidiaries to satisfy its obligations under the Aoyuan New Securities.

*If the Company is unable to comply with the restrictions and covenants in its debt agreements or the Aoyuan New Notes Indenture governing the Aoyuan New Notes, there could be a default under the terms of these agreements or the Aoyuan New Notes Indenture governing the Aoyuan New Notes, which could cause repayment of its debt to be accelerated*

- (jj) If the Company is unable to comply with the restrictions and covenants in the Aoyuan New Notes Indenture governing the Aoyuan New Notes, or its current or future debt and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Company, accelerate the debt, declare all amounts borrowed due and payable and enforce all or any of the security or terminate the agreements, as the case may be. Furthermore, some of the Company's debt agreements, including the Aoyuan New Notes Indenture governing the Aoyuan New Notes, contain cross-acceleration or cross-default provisions. As a result, the Company's default under one debt agreement may cause the acceleration of debt, including the Aoyuan New Notes, or result in a default under its other debt agreements, including the Aoyuan New Notes Indenture governing the Aoyuan New Notes. If any of these events occur, the Company cannot assure the holders of the Aoyuan New Securities that its assets and cash flow would be sufficient to repay in full all of its indebtedness, or that it would be able to find alternative financing. Even if the Company could obtain alternative

financing, the Company cannot assure the holders of the Aoyuan New Securities that it would be on terms that are favourable or acceptable to the Company.

*The China Aoyuan Group has flexibility to incur debt secured by assets, the security interest of which may not be shared with the holders of the Aoyuan New Notes.*

- (kk) Although the "Limitation on Liens" covenant as described under the Aoyuan New Notes Indenture provides that the China Aoyuan Group may not create or permit to exist any liens on its assets and properties unless such liens are shared on a *pari passu* basis with the holders of the Aoyuan New Notes, such restriction is subject to important exceptions and qualifications. The terms of the Aoyuan New Notes give the China Aoyuan Group flexibility to make Restricted Payments (as defined in the Aoyuan New Notes Indenture), including investments, in Unrestricted Subsidiaries, minority owned joint ventures and other persons, and it has the flexibility under the terms of the Aoyuan New Notes to designate certain subsidiaries as Unrestricted Subsidiaries, which may have substantial assets. Unrestricted Subsidiaries themselves are not subject to the restrictive covenants under the Aoyuan New Notes Indenture governing the Aoyuan New Notes and will therefore be permitted to incur debt secured by their assets, the security interest of which will not be shared with the holders of the Aoyuan New Notes. In addition, the definition of "Permitted Liens" also gives the Company and its Restricted Subsidiaries flexibility to incur debt secured by certain assets, the security interest of which may not be shared with the holders of the Aoyuan New Notes. The Aoyuan New Notes will therefore rank behind such secured debt to the extent of the value of such security, the amount of which may be material.

*Certain transactions that constitute "connected transactions" under the listing rules of the Stock Exchange of Hong Kong Limited will not be subject to the "Limitation on Transactions with Shareholders and Affiliates" covenant of the Aoyuan New Notes Indenture*

- (ll) The Company's shares are listed on the Hong Kong Stock Exchange and it is required to comply with the listing rules of the Stock Exchange of Hong Kong Limited, which provide, among other things, that any transaction between a listed company or any of its subsidiaries, on the one hand, and a "connected person" of such listed company, on the other hand, is a "connected transaction" that, if the value of such transaction exceeds the applicable *de minimis* thresholds, will require the prior approval of the independent shareholders of such listed company. The definition of "connected person" to a listed company includes, among others, any 10% or more shareholder of (i) such listed company or (ii) any subsidiary of such listed company. The concept of "connected person" also captures "associates", which include, among others, (a) any subsidiary of such "connected person", (b) any holding company of such "connected person" and any subsidiary of such holding company, and (c) any company in which such entity or entities mentioned in (a) and (b) above taken together has/have the power to exercise control, directly or indirectly, of 30% or more of the voting power of such company.
- (mm) The "Limitation on Transactions with Shareholders and Affiliates" covenant in the Aoyuan New Notes Indenture only applies to transactions between the Company or any Restricted Subsidiary, on the one hand, and (i) any holder (or any affiliate of such holder) of 10% or more of any class of capital stock of the Company or (ii) any affiliate of the Company, on the other hand. As such, transactions between the Company or any Restricted Subsidiary, on the one hand, and an affiliate of any Restricted Subsidiary, on the other hand, will not be captured by such covenant, even though they are subject to the independent shareholders' requirement under the listing rules of the Stock Exchange of Hong Kong Limited. As a result, the Company is not required by the terms of the Aoyuan New Notes to ensure that any such transactions are on terms that are fair and reasonable, and it will not need to deliver officers' certificates or procure the delivery of fairness opinions of

accounting, appraisal or investment banking firms to the Aoyuan New Notes Trustee for any such transactions.

*The Aoyuan Perpetuals are perpetual securities and investors have no right to require redemption.*

- (nn) The Aoyuan Perpetuals are perpetual and have no fixed final maturity date. Furthermore, given that the initial Distribution Rate applicable to the Aoyuan Perpetuals is zero per cent. per annum for the period from the Issue Date until 30 September 2031 and the Distribution Rate for every reset distribution period thereafter is relatively low, the Company may not exercise its option to redeem the Aoyuan Perpetuals in accordance with the terms and conditions of the Aoyuan Perpetuals. Accordingly, the Aoyuan Perpetuals may remain outstanding for a long period of time.
- (oo) Holders of the Aoyuan Perpetuals have no right to require the Company to redeem the Aoyuan Perpetuals and they can only be disposed of by sale. Holders of the Aoyuan Perpetuals who wish to sell their Aoyuan Perpetuals may be unable to do so at a desirable price, or at all, if insufficient liquidity exists in the market for the Aoyuan Perpetuals. Therefore, holders of the Aoyuan Perpetuals should be aware that they may be required to bear the financial risks of an investment in the Aoyuan Perpetuals for an indefinite period of time.

*Holders may not receive distributions on the Aoyuan Perpetuals if the Company elects to defer payment of distributions in accordance with the terms and conditions of the Aoyuan Perpetuals.*

- (pp) The Company may, at its sole discretion and subject to certain conditions, elect to defer any scheduled payment of distributions on the Aoyuan Perpetuals by delivering the deferral notices to the holders. Any deferral of distributions made in accordance with the terms and conditions of the Aoyuan Perpetuals will not constitute a default for any purpose. The Company is not subject to any limits as to the number of times Distributions and Arrears of Distribution can be deferred pursuant to the terms of the Aoyuan Perpetuals, subject to compliance with certain requirements.
- (qq) Any deferral of distributions will likely have an adverse effect on the market price of the Aoyuan Perpetuals. In addition, the Company is not subject to the customary restrictions on the payment of discretionary dividend or other distributions on its parity securities or junior securities, the discretionary redemption, repurchase or otherwise acquisition of its parity securities or junior securities until any outstanding arrears of distribution or additional distribution amount are satisfied, under the terms and conditions of the Aoyuan Perpetuals.
- (rr) As a result of the distribution deferral provision of the Aoyuan Perpetuals, the market price of the Aoyuan Perpetuals may be more volatile than the market prices of the Company's debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the business, financial condition or results of operation of the China Aoyuan Group.

*There are limited remedies for non-payment under the Aoyuan Perpetuals*

- (ss) Any scheduled Distribution will not be due if the Company elects to defer that Distribution pursuant to the terms and conditions of the Aoyuan Perpetuals. Notwithstanding any of the provisions relating to non-payment defaults, the right to institute Winding-Up proceedings is limited to circumstances where payment has become due and the Company fails to make the payment for a period of 30 days or more after the date on which such payment is due. The only remedy against the

Company available to the holders of the Aoyuan Perpetuals for recovery of amounts owing in respect of the Aoyuan Perpetuals will be to institute Winding-Up proceedings and/or prove in the Winding-Up of the Company and/or claim in the liquidation of the Company for such payment. The right to institute Winding-Up proceedings and/or proving in the Winding-Up of the Company and/or claiming in the liquidation of the Company in respect of any of the Company's payment obligations arising from the Aoyuan Perpetuals is limited to circumstances provided by applicable law.

*Holders of the Aoyuan MCB may be subject to risk of fluctuation in the value of the Company's Shares upon conversion*

- (tt) In respect of the Aoyuan MCB, holders may elect to convert their Aoyuan MCB pursuant to the terms and conditions of the Aoyuan MCB, but such conversion is subject to the restrictions and procedural requirements under the terms and conditions of the Aoyuan MCB. The Aoyuan MCB will not be redeemed for cash on their maturity date but will be mandatorily convertible into Shares of the Company, subject to the terms and conditions of the Aoyuan MCB.
- (uu) At the time the Aoyuan MCB are issued to the relevant Scheme Creditors on the Restructuring Effective Date, the price of the Company's Shares upon conversion of the Aoyuan MCB will not be ascertainable. Holders of the Aoyuan MCB will therefore each bear the risk of fluctuation in the value of the Company's Shares. In addition, the value of the Company's Shares to be delivered upon conversion may vary substantially between the date on which the relevant holder exercises its conversion right and the date on which such Shares are delivered.

*If a Mandatory Conversion Reply Form is not delivered by a holder of the Aoyuan MCB, the Company shall cause the sale of the Shares underlying the Aoyuan MCB but the Company shall be under no obligation to obtain the best price in the sale of such Shares*

- (vv) In order to obtain delivery of the relevant conversion Shares, the relevant holder of the Aoyuan MCB must deliver a duly completed Mandatory Conversion Reply Form in accordance with the terms and conditions of the Aoyuan MCB. If a duly completed Mandatory Conversion Reply Form is not so delivered, the relevant conversion Shares will be issued and/or transferred and delivered to a person or persons qualified to hold such securities selected by the Company (acting reasonably). Upon issue of the relevant conversion Shares to or to the order of such person, the holders shall have no further rights to delivery of Shares and their entitlement shall instead be to the net proceeds of sale of the relevant Shares. The Company shall procure that all of such Shares shall be sold by or on behalf of such person as soon as practicable, and the net proceeds of sale shall be distributed to the relevant holders, but the Company shall be under no obligation to obtain the best price in the sale of such Shares.

*Conversion of the Aoyuan MCB may dilute the ownership interest of existing shareholders and could also adversely affect the market price of the Company's Shares*

- (ww) The conversion of some or all of the Aoyuan MCB may dilute the ownership interests of existing shareholders of the Company. Any sales in the public market of the Company's Shares issuable upon such conversion could adversely affect prevailing market prices for the Company's Shares. In addition, the conversion of the Aoyuan MCB might encourage short selling of the Company's Shares by market participants.

*Short selling of the Company's Shares by holders of the Aoyuan MCB could materially and adversely affect the market price of the Company's Shares*

- (xx) The issuance of the Aoyuan MCB may result in downward pressure on the market price of the Shares. Investors in convertible securities may seek to hedge their exposure in the underlying equity securities, often through short selling of the underlying equity securities or similar transactions. Any short selling and similar hedging activity could place significant downward pressure on the market price of the Company's Shares, thereby having a material adverse effect on the market value of the Company's Shares owned by an investor as well as on the trading price of the Aoyuan MCB.

*Holders of the Aoyuan MCB are not entitled to rights with respect to the Company's Shares, but are subject to changes made with respect to the Company's Shares*

- (yy) Holders of the Aoyuan MCB are not entitled to any rights with respect to the Company's Shares (including, without limitation, voting rights and rights to receive any dividends or other distributions on the Company's Shares) prior to the time when the Aoyuan MCB are converted into the Company's Shares and are themselves registered as holders thereof. However, such bondholders are subject to all changes affecting the Company's Shares. For example, in the event that an amendment is proposed to the Company's articles requiring shareholder approval, and the record date for determining the shareholders of record entitled to vote on the amendment occurs prior to the date of conversion of the Aoyuan MCB for such Shares and the date of registration by the relevant bondholder as the holder thereof, that bondholder would not be entitled to vote on the amendment but would nevertheless be subject to any resulting changes in the powers, preferences or special rights that affect the Company's Shares after conversion.

*Holders of Aoyuan MCB have limited anti-dilution protection*

- (zz) The Conversion Price as defined in the terms and conditions of the Aoyuan MCB will be adjusted on the occurrence of certain events, including a subdivision, consolidation, subdivision, redesignation or reclassification of shares, capitalisation of profits or reserves, capital distributions, rights issues of shares or options over Shares below current market price, capital distributions, issue of shares below current market price or other events as specified in the terms and conditions of the Aoyuan MCB. There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Company's Shares. Events in respect of which no adjustment is made may adversely affect the value of the Company's Shares and, therefore, adversely affect the value of the Aoyuan MCB.

*The Company may not be able to identify a Strategic Investor within 12 months from the Restructuring Effective Date*

- (aaa) Under the terms and conditions of the Aoyuan MCB, a Strategic Investor, if identified by the Company within 12 months from the Restructuring Effective Date (the "**Election Period**"), will have the right, during the Election Period, to require the holders of the Aoyuan MCB to transfer all of the Aoyuan MCB to it (the "**Option to Purchase**") and the holders of the Aoyuan MCB will be entitled to receive an amount equal to the aggregate principal amount of their Aoyuan MCB against their transfer of the Aoyuan MCB.
- (bbb) In addition, if the Company issues Shares representing an aggregate amount of 10 per cent. or more of the share capital of the Company as at the Restructuring Effective Date to the Strategic Investor during the Election Period and the Company does not exercise the call option to redeem the Aoyuan MCB, the holder of each Aoyuan MCB will have the right to require the Company to redeem the Aoyuan MCB it holds at par (the "**Bondholder Put Option**").

- (ccc) However, there is no assurance that the Company will be able to identify a Strategic Investor during the Election Period nor is the Company under any obligation to do so. If the Company fails to do so, neither the Option to Purchase nor the Bondholder Put Option will arise and unless previously redeemed, converted or purchased and cancelled as provided in the terms and conditions of the Aoyuan MCB, each Aoyuan MCB will be converted into Shares on the maturity date by way of the mandatory conversion.

*The independent auditors of the Company did not express an opinion on the audited consolidated financial statements of the China Aoyuan Group for the year ended 31 December 2022*

- (ddd) As disclosed in the audited consolidated financial statements of the China Aoyuan Group for the year ended 31 December 2022 (the “**2022 Financial Statements**”), because of the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements as described in the “*Basis for Disclaimer of Opinion*” section of the independent auditor’s report in respect of the 2022 Financial Statements, it was not possible for the independent auditors to form an opinion on the 2022 Financial Statements. Potential investors must exercise caution when using such data to evaluate the financial condition and results of operations of the China Aoyuan Group.

#### 11.5 Risks relating to the Aoyuan New Notes Collateral

*Security over the Aoyuan New Notes Collateral is not granted directly to the holders of the Aoyuan New Notes*

- (a) Security over the Aoyuan New Notes Collateral for the obligations of the Company under the Aoyuan New Notes and the Aoyuan New Notes Indenture is not granted directly to the holders of the Aoyuan New Notes but is granted only in favour of the Aoyuan New Notes Collateral Agent for the benefit of the holders of the Aoyuan New Notes and the Aoyuan New Notes Trustee. As a consequence, holders of the Aoyuan New Notes do not have direct security and are not entitled to take enforcement action in respect of the security for the Aoyuan New Notes, except through the Aoyuan New Notes Collateral Agent, which has agreed to apply any proceeds of enforcement on such security toward such obligations. The Aoyuan New Notes Trustee would direct the Aoyuan New Notes Collateral Agent to enforce on the Aoyuan New Notes Collateral and take such further action on behalf of the holders of the Aoyuan New Notes as the Aoyuan New Notes Trustee deems appropriate, subject to and in accordance with the Aoyuan New Notes Indenture and the Aoyuan New Notes Security Documents.

*The Aoyuan New Notes Collateral may in some circumstances be voidable*

- (b) The Aoyuan New Notes Collateral may be voidable as a preference under insolvency or fraudulent transfer or similar laws of the Cayman Islands, the British Virgin Islands or other applicable laws if made at any time within six months immediately preceding the commencement of liquidation or, under some circumstances, within a longer period. If the Aoyuan New Notes Collateral were to be voided for any reason, holders of the Aoyuan New Notes would have only an unsecured claim against the Company.

*The value of the Aoyuan New Notes Collateral is unlikely to be sufficient to satisfy the Company’s obligations under the Aoyuan New Notes*

- (c) The ability of the Aoyuan New Notes Collateral Agent to foreclose on the Aoyuan New Notes Collateral upon the occurrence of an event of default or otherwise will be subject in certain instances to perfection and priority issues. Although



procedures will be undertaken to support the validity and enforceability of the security interests, there is no assurance that the Aoyuan New Notes Collateral, the Aoyuan New Notes Trustee or holders of the Aoyuan New Notes will be able to enforce the security interest.

- (d) The value of the Aoyuan New Notes Collateral in the event of a liquidation will depend upon market and economic conditions, the availability of buyers and the financial conditions of Healthy Life. No independent appraisals of any of the Aoyuan New Notes Collateral have been prepared by the Company in connection with the Aoyuan New Notes. Accordingly, there is no assurance that the proceeds of any sale or enforcement of the Aoyuan New Notes Collateral following an acceleration of the Aoyuan New Notes would be sufficient to satisfy, or would not be substantially less than, amounts due and payable under the Aoyuan New Notes. There is no assurance that the Aoyuan New Notes Collateral will be saleable or, if saleable, that there will not be substantial delays in its realisation.

*Rights of holders of the Aoyuan New Notes in the Aoyuan New Notes Collateral may be adversely affected by the failure to create or perfect the security interests*

- (e) The Aoyuan New Notes Collateral Agent's ability to foreclose on the Aoyuan New Notes Collateral may also be subject to priority issues, state and provincial law requirements, applicable bankruptcy law, prior liens and practical problems associated with the realisation of the Aoyuan New Notes Collateral Agent's lien on the Aoyuan New Notes Collateral, including cure rights, foreclosing on the Aoyuan New Notes Collateral within the time periods permitted by third parties or prescribed by laws, obtaining third-party consents, making additional filings, statutory rights of redemption and the effect of the order of foreclosure. There can be no assurance that the consents of any third parties and approvals by governmental entities or courts of competent jurisdiction will be given when required to facilitate a foreclosure on such assets or that foreclosure on the Aoyuan New Notes Collateral will be sufficient to make all payments on the Aoyuan New Notes.

## **11.6 Risks relating to the Aoyuan Shares**

*The liquidity and market price of the Aoyuan Shares may be volatile*

- (a) The price and trading volume of the Aoyuan Shares may be volatile. Factors such as fluctuations in the China Aoyuan Group's revenue, earnings and cash flows, changes in laws, regulations and policies in relation to the PRC real estate industry or any other developments may affect the volume and price at which the Aoyuan Shares will be traded.
- (b) Trading in the Company's shares on the HKEX was suspended from 1 April 2022 to 25 September 2023. There is no assurance that the suspension of trading will not occur in the future. If this happens, business operation and financial performance of the China Aoyuan Group may be materially adversely affected and the market value of the Aoyuan Shares may decline materially.

*Future or perceived sales of substantial amounts of the Company's shares could affect the market price of the Aoyuan Shares*

- (c) The market price of the Company's shares could decline as a result of future sales of substantial amounts of the Company's shares or other related securities, or the perception that such sales may occur. The Company's ability to raise future capital at favourable times and prices may also be materially and adversely affected. In addition, there is no assurance that the Company's significant shareholders will not dispose of any shares of the Company. There is uncertainty of the effect of any future sales of the Company's shares on the market price of the Aoyuan Shares.

*The Company may not declare dividends on its shares in the future*

- (d) Any declaration of dividends will be proposed by the Board, and the amount of any dividends will depend on various factors, including, without limitation, the results of operations, financial position, capital requirements and surplus, contractual restrictions, future prospects of the China Aoyuan Group and other factors which the Board may determine are important. There is no assurance when, if and in what form dividends will be paid.

*The Company is a Cayman Islands exempted company, judicial precedent regarding the rights of shareholders is more limited under the laws of the Cayman Islands than other jurisdictions, and Cayman laws relating to the protection of interests of minority shareholders differ in some respects from other jurisdictions*

- (e) The Company's corporate affairs are governed by its articles of association, the Cayman Companies Act and the common law of the Cayman Islands. The rights of shareholders to take action against directors, the rights of minority shareholders to institute actions and the fiduciary responsibilities of the Company's directors to the Company under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands, as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of the Company's shareholders and the fiduciary responsibilities of the director of the Company under Cayman Islands law may not be the same as they would be under statutes or judicial precedent in Hong Kong or other jurisdictions which holders of the Aoyuan Shares are familiar with. In particular, the Cayman Islands have different securities laws as compared to Hong Kong and may not provide the same protection to investors. Furthermore, shareholders of Cayman Islands companies may not have standing to initiate a shareholder derivative action in a HK Court.

## 12. **TAXATION**

The Company has not analysed, and this Explanatory Statement does not discuss, the tax consequences to any Scheme Creditor of the Restructuring. Such tax consequences may be complex and each Scheme Creditor is urged to consult its own tax adviser with respect to the tax consequences of the Restructuring in light of such person's particular circumstances, including the tax consequences in any jurisdiction of the exchange of interests in the Existing Debt for its Scheme Consideration Entitlement, and the receipt, ownership and disposition of its Scheme Consideration Entitlement. Scheme Creditors are liable for any taxes that may arise as a result of the China Aoyuan Schemes and the Restructuring, and shall have no recourse to the Company, the China Aoyuan Group, the Existing Debt Obligors, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent or any other person in respect of such taxes or any filing obligation with respect thereto.

## APPENDIX 1

### DEFINITIONS AND INTERPRETATION

The following defined terms have the following meanings in this Explanatory Statement unless the context requires otherwise. Terms used but not otherwise defined in this Explanatory Statement will have the meanings given to them under the China Aoyuan Schemes. The principles of interpretation of the China Aoyuan Schemes set out in Part B of Schedule 1 (*Definitions and interpretation*) to the China Aoyuan Schemes will also apply to this Explanatory Statement, save that references to "Clauses" or "Appendices" shall mean the clauses or appendices of this Explanatory Statement.

Scheme Creditors should also note that certain defined terms used in the China Aoyuan Schemes are summarised or explained in the body of this Explanatory Statement for ease of reference and descriptive purposes only. In the event of any inconsistencies with such summaries or explanations, the relevant definitions set out in Part A of Schedule 1 (*Definitions and interpretation*) to the China Aoyuan Schemes shall apply.

**"Accession Code"** has the meaning given to it in the China Aoyuan Schemes;

**"Account Holder"** has the meaning given to it in the China Aoyuan Schemes;

**"Account Holder Letter"** has the meaning given to it in the China Aoyuan Schemes;

**"Accredited Investors"** means institutional "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act;

**"Accreted Value"** has the meaning given to it in the Aoyuan New Finance Documents;

**"Ad Hoc Group"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero"** means Add Hero Holdings Limited;

**"Add Hero BVI Scheme"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero BVI Scheme Sanction Order"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero HK Scheme"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero HK Scheme Sanction Order"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero Notes Common Collateral Agent"** means Madison Pacific Trust Limited in its capacity as "Common Collateral Agent" under the Add Hero Notes ICA, including any of its successors;

**"Add Hero Notes Guarantors"** means the Add Hero Notes Subsidiary Guarantors and the Add Hero Notes Other Guarantors;

**"Add Hero Notes ICA"** means the intercreditor agreement to be entered into between Add Hero, the Add Hero Notes Trustee, the Add Hero Notes Common Collateral Agent and the Add Hero Notes Guarantors on the Restructuring Effective Date;

**"Add Hero Notes Indentures"** means, collectively, the Add Hero Notes Indenture (Tranche A), the Add Hero Notes Indenture (Tranche B) and the Add Hero Notes Indenture (Tranche C);

**"Add Hero Notes Indenture (Tranche A)"** means the indenture to be entered into between, among others, Add Hero, the Add Hero Notes Guarantors, the Add Hero Notes Common Collateral Agent and the relevant Add Hero Notes Trustee pursuant to which the Add Hero Notes are to be issued;

**"Add Hero Notes Indenture (Tranche B)"** means the indenture to be entered into between, among others, Add Hero, the Add Hero Notes Guarantors, the Add Hero Notes Common Collateral Agent and the relevant Add Hero Notes Trustee pursuant to which the Add Hero Notes are to be issued;

**"Add Hero Notes Indenture (Tranche C)"** means the indenture to be entered into between, among others, Add Hero, the Add Hero Notes Guarantors, the Add Hero Notes Common Collateral Agent and the relevant Add Hero Notes Trustee pursuant to which the Add Hero Notes are to be issued;

**"Add Hero Notes Other Guarantors"** has the meaning given to the term "Other Guarantors" in the Add Hero Notes Indenture;

**"Add Hero Notes Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Paying Agent" under the Add Hero Notes Indentures, in each case, including any of its successors;

**"Add Hero Notes Registrar and Transfer Agent"** means Madison Pacific Trust Limited in its capacity as "Registrar" and "Transfer Agent" under the Add Hero Notes Indentures, in each case, including any of its successors;

**"Add Hero Notes Subsidiary Guarantors"** has the meaning given to the term "Subsidiary Guarantors" in the Add Hero Notes Indenture;

**"Add Hero Notes Trustee"** means Madison Pacific Trust Limited in its capacity as "Trustee" under the Add Hero Notes Indentures, in each case, including any of its successors;

**"Add Hero Notes Administrative Party"** means the Add Hero Notes Common Collateral Agent, the Add Hero Notes Trustee, the Add Hero Notes Common Depositary, the Add Hero Notes Paying Agent and the Add Hero Notes Registrar and Transfer Agent;

**"Add Hero Offshore Group"** means Add Hero and its Subsidiaries, which are incorporated outside the PRC;

**"Add Hero Scheme Effective Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Add Hero Schemes"** means, collectively, the Add Hero BVI Scheme and the Add Hero HK Scheme;

**"Add Hero Securities"** has the meaning given to it in the Distribution Confirmation Deed;

**"Adjudicator"** has the meaning given to it in the China Aoyuan Schemes;

**"Adjudicator Decision"** has the meaning given to it in the China Aoyuan Schemes;

**"Adviser Fees"** means all professional fees and expenses of the Advisers associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;

**"Advisers"** has the meaning given to it in the China Aoyuan Schemes;

**"Affiliate"** has the meaning given to it in the China Aoyuan Schemes;

**"Allowed Proceeding"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Instruments"** means the Aoyuan New Securities, the New Shares and the Transfer Shares;

**"Aoyuan MCB"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Calculation Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Common Depositary"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Global Certificate"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Trust Deed"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Trustee"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Paying Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan MCB Registrar and Transfer Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Finance Documents"** means the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and the Aoyuan Perpetuals Fiscal Agency Agreement;

**"Aoyuan New Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes (Scheme Consideration)"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Collateral"** has the meaning given to "Collateral" in the Aoyuan New Notes Indenture;

**"Aoyuan New Notes Collateral Agency Agreement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Collateral Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Common Depositary"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Global Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Indenture"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Obligors"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Paying Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Paying Agent and Registrar Appointment Letter"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Registrar and Transfer Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Security Document"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Notes Trustee"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Securities"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Securities Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Securities Documents"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Securities Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan New Securities Paying Agent"** means the Aoyuan MCB Paying Agent, the Aoyuan New Notes Paying Agent and the Aoyuan Perpetuals Paying Agent;

**"Aoyuan Perpetuals"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Common Depositary"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Fiscal Agency Agreement"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Fiscal Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Global Certificate"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Paying Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Perpetuals Registrar and Transfer Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Aoyuan Shares"** has the meaning given to it in the China Aoyuan Schemes;

**"Applicable Sanctions"** has the meaning given to it in the China Aoyuan Schemes;

**"Bar Time"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Aoyuan MCB Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Aoyuan New Notes Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Aoyuan New Securities Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Aoyuan Perpetuals Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked New Shares Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Consideration Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Creditor"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Creditor (Participating)"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Creditor (Residual)"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Creditor Form"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Scheme Creditor Tabulation Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocked Transfer Shares Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Blocking Regulation"** has the meaning given to it in the China Aoyuan Schemes;

**"Board"** means the board of directors of the Company;

**"Business Day"** has the meaning given to it in the China Aoyuan Schemes;

**"BVI"** has the meaning given to it in the China Aoyuan Schemes;

**"BVI Companies Act"** means the BVI Business Companies Act 2004, as amended, modified or re-enacted from time to time;

**"BVI Court"** means the BVI High Court of Justice of the Eastern Caribbean Supreme Court and any court capable of hearing appeals therefrom;

**"BVI Registrar of Corporate Affairs"** means the Registrar of Corporate Affairs (including any deputy registrar and/or assistant registrar or similar) appointed under the BVI Companies Act;

**"CAD"** denotes the lawful currency for the time being of Canada;

**"Cash Consideration"** has the meaning given to it in the China Aoyuan Schemes;

**"Cayman Companies Act"** has the meaning given to it in the China Aoyuan Schemes;

**"Cayman Court"** has the meaning given to it in the China Aoyuan Schemes;

**"Cayman Registrar of Companies"** has the meaning given to it in the China Aoyuan Schemes;

**"Cayman Scheme Meeting"** has the meaning given to "Scheme" in the China Aoyuan Cayman Scheme;

**"Chairperson"** has the meaning given to it in the China Aoyuan Schemes;

**"Change of Control"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"China Aoyuan Cayman Scheme"** has the meaning given to "Scheme" in the China Aoyuan Cayman Scheme;

**"China Aoyuan Cayman Scheme Convening Hearing"** means the hearing before the Cayman Court for directions to convene the Scheme Meeting in respect of the China Aoyuan Cayman Scheme;

**"China Aoyuan Cayman Scheme Convening Order"** has the meaning given to "Scheme Convening Order" in the China Aoyuan Cayman Scheme;

**"China Aoyuan Cayman Scheme Sanction Hearing"** means the hearing before the Cayman Court of the application seeking sanction of the China Aoyuan Cayman Scheme;

**"China Aoyuan Cayman Scheme Sanction Order"** has the meaning given to "Scheme Sanction Order" in the China Aoyuan Cayman Scheme;

**"China Aoyuan Group"** has the meaning given to it in the China Aoyuan Schemes;

**"China Aoyuan HK Scheme"** has the meaning given to "Scheme" in the China Aoyuan HK Scheme;

**"China Aoyuan HK Scheme Convening Hearing"** means the hearing before the HK Court for directions to convene the Scheme Meeting in respect of the China Aoyuan HK Scheme;

**"China Aoyuan HK Scheme Convening Order"** has the meaning given to "Scheme Convening Order" in the China Aoyuan HK Scheme;

**"China Aoyuan HK Scheme Sanction Hearing"** means the hearing before the HK Court of the application seeking sanction of the China Aoyuan HK Scheme;

**"China Aoyuan HK Scheme Sanction Order"** has the meaning given to "Scheme Sanction Order" in the China Aoyuan HK Scheme;

**"China Aoyuan Offshore Group"** has the meaning given to it in the China Aoyuan Schemes;

**"China Aoyuan Onshore Group"** has the meaning given to it in the China Aoyuan Schemes;



**"China Aoyuan Scheme Excluded Liabilities"** has the meaning given to it in the China Aoyuan Schemes;

**"China Aoyuan Schemes"** means, collectively, the China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme;

**"Clearing Systems"** has the meaning given to it in the China Aoyuan Schemes;

**"Clearstream"** means Clearstream Banking S.A. and any of its nominees or successors;

**"CoCom"** has the meaning given to it in the China Aoyuan Schemes;

**"Company"** means China Aoyuan Group Limited (中國奧園集團股份有限公司), a company incorporated with limited liability under the laws of the Cayman Islands;

**"Completion Notice"** means the notice(s) delivered by the Company in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes;

**"Consenting Creditors"** has the meaning given to it in the Restructuring Support Agreement;

**"CSRC"** has the meaning given to it in the China Aoyuan Schemes;

**"Custody Instruction"** means the instruction to be submitted by an Account Holder on behalf of the relevant Existing Noteholder, to block its position in the Existing Notes in the relevant Clearing System account;

**"Custody Instruction Deadline"** means 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 4 a.m. Cayman time on 15 November 2023;

**"Custody Instruction Reference Number"** means the unique reference number provided by any of the Clearing Systems, following an instruction from an Account Holder to block the relevant Existing Notes in accordance with the instructions contained in this Explanatory Statement, including Appendix 5 (*Solicitation Packet*) to the Explanatory Statement;

**"Deeds of Release"** has the meaning given to it in the China Aoyuan Schemes;

**"Deed of Subordination Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Designated Accounts"** means, collectively, the following accounts:

- (a) a Canadian dollar account in the name of Aoyuan Property Holdings (Canada) Ltd. with Canadian Imperial Bank of Commerce at 10166 King George Blvd, Surrey, BC V3T 2W4 and account number 038204603710;
- (b) a multi-currency account in the name of Aoyuan Property Group (International) Limited with Bank of Communications Hong Kong at 1-3 Tak Man Street, Whampoa Estate, Hung Hom, Kowloon, Hong Kong and account number 382-546-102141101;
- (c) a multi-currency account in the name of Grand First Holdings Limited with Bank of Communications Hong Kong at 1-3 Tak Man Street, Whampoa Estate, Hung Hom, Kowloon, Hong Kong and account number 382-546-103937501;
- (d) a multi-currency account in the name of Fine Wisdom Global Limited with Bank of Communications Hong Kong at 1-3 Tak Man Street, Whampoa Estate, Hung Hom, Kowloon, Hong Kong and account number 382-546-100174101;

- (e) a multi-currency account in the name of Main Trend Limited with Bank of Communications Hong Kong at 1-3 Tak Man Street, Whampoa Estate, Hung Hom, Kowloon, Hong Kong and account number 382-546-101239001; and
- (f) a multi-currency account in the name of Maingain Investment Limited with Bank of Communications Hong Kong at 1-3 Tak Man Street, Whampoa Estate, Hung Hom, Kowloon, Hong Kong and account number 382-546-104427001;

**"Designated Recipient"** means a person designated by a Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) in a validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form and such other information as is required by the Information Agent to be submitted as set out in the Solicitation Packet) as the recipient of its Aoyuan New Notes Entitlement pursuant to the terms of the China Aoyuan Schemes and subject to all applicable securities laws and, provided, always, that a person shall only be a Designated Recipient if it is an Eligible Person and it holds an account with the same Account Holder as its designated Scheme Creditor, and agrees to receive the relevant Aoyuan New Notes Entitlement into the same account;

**"Designated Recipient Form"** means the document that is substantially in the form set out at Appendix 1 to the Account Holder Letter and available on the Scheme Portal;

**"Director"** has the meaning given to it in the China Aoyuan Schemes;

**"Disputed Scheme Claim"** has the meaning given to it in section 7.10(c) of the Explanatory Statement;

**"Disputed Scheme Claim Notice"** has the meaning given to it in the China Aoyuan Schemes;

**"Disputed Scheme Claim Resolution Period"** has the meaning given to it in the China Aoyuan Schemes;

**"Distribution"** has the meaning given to it in the Aoyuan Perpetuals Fiscal Agency Agreement;

**"Distribution Confirmation Deed"** means the document that is substantially in the form set out in Appendix 2 to the Account Holder Letter and available on the Scheme Portal;

**"Eligible Person"** means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadlines set out in the Solicitation Packet;

**"Escrow Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Escrow Agreement"** has the meaning given to it in the China Aoyuan Schemes;

**"Escrow Period"** has the meaning given to it in the China Aoyuan Schemes;

**"Euroclear"** means Euroclear Bank SA/NV and any of its nominees or successors;

**"Excluded Claims"** has the meaning given to it in section 7.13(e) of the Explanatory Statement;

**"Existing Bilateral Facilities (SBLC)"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Common Collateral Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Debt"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Debt Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Debt Finance Documents"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Debt Obligors"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Intercreditor Agreement"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Lender"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Loans"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Loans Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Noteholders"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Notes Common Depositaries"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Debt"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Notes Global Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Onshore Facilities"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Onshore Facilities Obligors"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Other Offshore Financings"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Noteholder"** means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in (as applicable) the Existing Public Notes;

**"Existing Public Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Common Depository"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Global Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Guarantors"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Indenture"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Paying Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Public Notes Trustee"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Loans"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Noteholder"** means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in (as applicable) the Existing Private Notes;

**"Existing Private Notes"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Notes Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Notes Common Depository"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Notes Deed of Guarantees"** means the deed of guarantees entered into by the Company with respect to the Existing Private Notes;

**"Existing Private Notes Fiscal Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Private Notes Instruments"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Syndicated Facilities"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Syndicated Facilities Administrative Parties"** has the meaning given to it in the China Aoyuan Schemes;

**"Existing Syndicated Facilities Lender"** means a lender of record or any Person who has a beneficial interest as principal under any of the Existing Syndicated Facilities;

**"Existing Syndicated Facilities Guarantors"** has the meaning given to it in the China Aoyuan Schemes;

**"Explanatory Statement"** means the composite document dated 7 November 2023 of the Company addressed to Scheme Creditors containing, among other things, the explanatory statement of the Company in compliance with the Hong Kong Companies Ordinance and the Cayman Companies Act and the terms of the China Aoyuan Schemes (including all appendices, schedules and annexures thereto);

**"Gold Lucky"** means Gold Lucky Limited, a company incorporated under the laws of Hong Kong;

**"GFA"** means gross floor area;

**"Harneys"** means Harney Westwood & Riegels and its Affiliates;

**"Harneys Cayman Office"** has the meaning given to it in section 7.7(d);

**"Healthy Life"** means Aoyuan Healthy Life Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited;

**"Healthy Life Sale"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"Healthy Life Shares"** has the meaning given to "Healthy Life Shares" in the Aoyuan New Notes Indenture;

**"HKD"** and **"HK\$"** denote the lawful currency for the time being of Hong Kong;

**"HKEX"** has the meaning given to it in the China Aoyuan Schemes;

**"HK Court"** has the meaning given to it in the China Aoyuan HK Scheme;

**"HK Scheme Meeting"** has the meaning given to "Scheme" in the China Aoyuan HK Scheme;

**"Holding Period"** means the period commencing from the Restructuring Effective Date up to the date falling two calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date);

**"Holding Period Custody Instruction Deadline"** means 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time;

**"Holding Period Expiry Date"** means the last day of the Holding Period;

**"Holding Period Trust Deed"** has the meaning given to it in the China Aoyuan Schemes;

**"Holding Period Trustee"** has the meaning given to it in the China Aoyuan Schemes;

**"Hong Kong"** has the meaning given to it in the China Aoyuan Schemes;

**"IAI"** means institutional accredited investors;

**"IAI Add Hero Securities"** has the meaning given to it in the Distribution Confirmation Deed;

**"ICA Collateral"** has the meaning given to "Common Collateral" in the Existing Intercreditor Agreement;

**"ICA Debt"** means the Existing Public Notes and the Existing Syndicated Facilities;

**"IFRS"** means International Accounting Standards, International Financial Reporting Standards and related Interpretations, together with any future standards and related interpretations issued or adopted by the International Accounting Standards Board, in each case as amended and to the extent applicable to the relevant financial statements;

**"Information Agent"** has the meaning given to it in the China Aoyuan Schemes;

**"Initial Consenting Creditors"** has the meaning given to it in the Restructuring Support Agreement;

**"Insolvency Event"** has the meaning given to it in the China Aoyuan Schemes;

**"Insolvency Proceeding"** means any proceeding, process, appointment or application under any law relating to insolvency, reorganisation, winding-up, or composition or adjustment of debts, including, without limitation, winding-up, liquidation, bankruptcy, provisional liquidation, receivership, administration, provisional supervision, company voluntary arrangement, scheme of arrangement, suspension of payment under court supervision or any other analogous proceedings in any jurisdiction;

**"Intermediaries"** has the meaning given to it in the China Aoyuan Schemes;

**"Key Entity"** has the meaning given to it in the China Aoyuan Schemes;

**"Key Person"** has the meaning given to it in the China Aoyuan Schemes;

**"KPMG"** means KPMG Advisory (China) Limited and its Affiliates;

**"Kroll"** means Kroll (HK) Limited;

**"Lender Proxy Form"** has the meaning given to it in the China Aoyuan Schemes;

**"Liabilities"** has the meaning given to it in the China Aoyuan Schemes;

**"Linklaters Hong Kong Office"** means the offices of Linklaters at 11th Floor, Alexandra House, Chater Road, Hong Kong;

**"Liquidation Analysis"** means the liquidation analysis prepared by Kroll as set out in Appendix 7 (*Liquidation Analysis*) to the Explanatory Statement;

**"Longstop Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Longstop Date Extension"** has the meaning given to it in the China Aoyuan Schemes;

**"Macau"** means Macau Special Administrative Region;

**"Majority Scheme Creditors"** has the meaning given to it in the China Aoyuan Schemes;

**"Mandatory Conversion Reply Form"** has the meaning given to it in the Aoyuan MCB Trust Deed;

**"NDRC"** means the National Development and Reform Commission of the PRC (中华人民共和国国家发展和改革委员会);

**"New Shares"** has the meaning given to it in the China Aoyuan Schemes;

**"New Shares Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Non-ICA Debt"** means:

- (a) Existing Bilateral Facilities (SBLC);
- (b) Existing Other Offshore Financings;
- (c) Existing Private Notes;
- (d) Existing Onshore Facilities;
- (e) Existing Private Loans; and
- (f) USD100m Noble Prestige Facility;

**"Offshore Creditors' Director"** has the meaning given to it in the China Aoyuan Schemes;

**"Offshore Creditors' Director Qualification Requirements"** has the meaning given to it in the China Aoyuan Schemes;

**"One Central Disposal"** has the meaning given to it in section 10.4(g) of the Explanatory Statement;

**"Onshore Bank and Other Borrowings"** means the financings described in section 5.6(c)(ii) of the Explanatory Statement;

**"Other Non-ICA Debt"** means the Existing Loans other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility;

**"Other Non-ICA Debt Lenders"** means the Existing Lenders other than the Existing Syndicated Facilities Lenders and the USD100m Noble Prestige Lenders;

**"Person"** has the meaning given to it in the China Aoyuan Schemes;

**"Personnel"** means, in relation to any person, its current and former officers, partners, directors, employees, staff, agents, counsel, advisers and other representatives, including, without limitation, consultants and information agents;

**"PRC"** has the meaning given to it in the China Aoyuan Schemes;

**"Principal Subsidiary"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"Proceeding"** has the meaning given to it in the China Aoyuan Schemes;

**"Qualified Person"** has the meaning given to it in the China Aoyuan Schemes;

**"Record Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Reference Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Reference Exchange Rate"** has the meaning given to it in the China Aoyuan Schemes;

**"Regulation D"** means Regulation D under the U.S. Securities Act;

**"Regulation S"** means Regulation S under the U.S. Securities Act;

**"Regulation S Add Hero Securities"** has the meaning given to it in the Distribution Confirmation Deed;

**"Restricted Group"** means each member of the China Aoyuan Group excluding the Unrestricted Subsidiaries;

**"Restricted Subsidiary"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"Restructuring"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Conditions"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Conditions Satisfaction Time"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Documents"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Effective Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Released Party"** has the meaning given to it in section 7.13(b) of the Explanatory Statement;

**"Restructuring Steps"** has the meaning given to it in the China Aoyuan Schemes;

**"Restructuring Support Agreement"** has the meaning given to it in the China Aoyuan Schemes;

**"RMB"** denotes the lawful currency for the time being of the PRC;

**"RSA Fees"** means, collectively, the RSA Fees (Aoyuan New Notes) and the RSA Fees (Cash Component);

**"RSA Fees (Aoyuan New Notes)"** has the meaning given to it in the China Aoyuan Schemes;

**"RSA Fees (Cash Component)"** has the meaning given to it in the China Aoyuan Schemes;

**"RSA Fee Deadline"** has the meaning given to it in the Restructuring Support Agreement;

**"RSA Fee Eligible Proportion"** has the meaning given to it in the Restructuring Support Agreement;

**"SAFE"** means the State Administration of Foreign Exchange of the PRC;

**"Sanctioned Scheme Creditor"** has the meaning given to it in the China Aoyuan Schemes;

**"Sanctions-Affected Scheme Creditors"** has the meaning given to it in the China Aoyuan Schemes;

**"Sanctions Law Representations"** has the meaning given to it in the China Aoyuan Schemes;

**"SAT"** means the State Administration of Taxation of the PRC;

**"Scheme Administrator"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Claim"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Claim Determination Notice"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Consideration Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Consideration Pro Rata Proportion"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Creditor"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Effective Date"** has the meaning given to it in the China Aoyuan Schemes;

**"Scheme Portal"** means <https://portal.morrowsodali.com/aoyuanScheme>;

**"Schemes"** means, collectively the:

(a) Add Hero HK Scheme;

- (b) Add Hero BVI Scheme;
- (c) China Aoyuan HK Scheme; and
- (d) China Aoyuan Cayman Scheme;

**"SEC"** means the U.S. Securities and Exchange Commission;

**"Securities Law Representations"** means those necessary affirmative representations to be made by a person for the benefit of the Company as set out in a person's Distribution Confirmation Deed;

**"SFA"** means the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time;

**"SFA Accredited Investor"** has the meaning given to "Accredited Investor" in section 4A of the SFA;

**"SGD"** denotes the lawful currency of Singapore;

**"SGX-ST"** means the Singapore Exchange Securities Trading Limited;

**"Solicitation Packet"** means the solicitation packet set out at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement;

**"Sponsor"** has the meaning given to it in the China Aoyuan Schemes;

**"Standstill Agreement"** has the meaning given to it in section 6.4(a) of the Explanatory Statement;

**"Subsidiary"** has the meaning given to it in the China Aoyuan Schemes;

**"Term Sheets"** means the term sheets appended to the Restructuring Support Agreement;

**"Transaction Website"** has the meaning given to it in the China Aoyuan Schemes;

**"Transfer"** has the meaning given to it in the Restructuring Support Agreement;

**"Transfer Shares"** has the meaning given to it in the China Aoyuan Schemes;

**"Transfer Shares Entitlement"** has the meaning given to it in the China Aoyuan Schemes;

**"Trust Assets"** has the meaning given to it in the China Aoyuan Schemes;

**"Unadmitted Scheme Creditor"** has the meaning given to them in the China Aoyuan Schemes;

**"United States"** and **"U.S."** have the meaning given to them in the China Aoyuan Schemes;

**"Unrestricted Subsidiaries"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"USD100m Noble Prestige Facility"** has the meaning given to it in the China Aoyuan Schemes;

**"USD100m Noble Prestige Facility Guarantors"** has the meaning given to it in the China Aoyuan Schemes;

**"USD100m Noble Prestige Lender"** means a lender of record or any Person who has a beneficial interest as principal under the USD100m Noble Prestige Facility;

**"USD200m CCB Facility"** has the meaning given to it in the China Aoyuan Schemes;

**"USD200m Happy Team Facility"** has the meaning given to it in the China Aoyuan Schemes;

**"USD200m Luck Gain Bonds"** has the meaning given to it in the China Aoyuan Schemes;



**"USD50,000,000 8.5% Senior Notes Due 2022"** means the USD50,000,000 8.5% senior notes due 2022 (ISIN: XS2378476951) as constituted by the indenture dated 31 August 2021, as amended, supplemented, or otherwise modified from time to time, between the Company as issuer, the Existing Public Notes Guarantors named therein as subsidiary guarantors and the Existing Public Notes Trustee as trustee;

**"USD"** and **"US\$"** denote the lawful currency for the time being of the United States;

**"U.S. Securities Act"** means the U.S. Securities Act of 1933 (as amended);

**"Volume Weighted Average Price"** has the meaning given to it in the Aoyuan New Notes Indenture;

**"Voting Instruction Deadline"** means 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023;

**"Voting Scheme Claim"** means, for assessing a Scheme Creditor's Scheme Claims for voting purposes, a US\$ value equal to the sum of:

- (a) the outstanding principal amount of the Existing Notes (in which each Scheme Creditor held an economic or beneficial interest as principal (without double counting)) and Existing Loans (in which each Scheme Creditor has a beneficial interest as principal) as at the Record Date; and
- (b) all accrued and unpaid interest relating to such Existing Notes and Existing Loans, in each case, up to (and including) the Reference Date,

provided that the Reference Exchange Rate shall be applied to convert any amount that is not in USD to USD; and

**"Work Fees"** has the meaning given to it in the China Aoyuan Schemes.

**APPENDIX 2**  
**CHINA AOYUAN HK SCHEME**  
**[See over page]**

## **The Scheme**

**HCMP 1696 / 2023**

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. 1696 OF 2023**

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**IN THE MATTER OF CHINA AOYUAN GROUP  
LIMITED (中國奧園集團股份有限公司)**

**and**

**IN THE MATTER OF section 670 of the  
Companies Ordinance, Chapter 622 of the  
Laws of Hong Kong**

**BETWEEN**

**CHINA AOYUAN GROUP LIMITED**

*(an exempted company incorporated with limited liability under the laws of the  
Cayman Islands with company number 183222)*

**AND**

**THE SCHEME CREDITORS**

*(as herein defined)*

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**SCHEME OF ARRANGEMENT**

*(under section 670 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong)*

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**BETWEEN:**

- (1) **CHINA AOYUAN GROUP LIMITED** (the "**Company**" or "**China Aoyuan**"); and
- (2) **THE SCHEME CREDITORS** (as hereinafter defined).

**RECITALS:**

**The Company**

- (A) The Company was incorporated as a company with limited liability under the laws of the Cayman Islands on 6 March 2007 with company number 183222. The Company's registered office address is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY1-1111, Cayman Islands. The Company is registered as a non-Hong Kong company in Hong Kong with registration number F0015202. The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 3883) on 9 October 2007. As at the date of the Explanatory Statement, the authorised share capital of the Company is HKD1,000,000,000 divided into 100,000,000,000 shares of a nominal or par value of HKD0.01 each, of which 2,965,571,354 of the 100,000,000,000 shares of HKD0.01 each have been issued and are fully paid up, or credited as fully paid up, with the rest remaining unissued.

**Background and purpose of this Scheme**

- (B) China Aoyuan and the Consenting Creditors have previously entered into the Restructuring Support Agreement with a view to implementing the Restructuring.
- (C) The purpose of this Scheme is to effect a compromise and arrangement between the Company and the Scheme Creditors in respect of the Scheme Claims. For the avoidance of doubt, (i) the Existing Public Notes Trustee and the Existing Notes Common Depositaries (including any nominee(s) of each Existing Notes Common Depositary as registered holders of the Existing Notes) (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Notes) are Scheme Creditors, but they will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Notes at the Scheme Meeting, and (ii) the Existing Loans Administrative Parties (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Loans) are Scheme Creditors, but they will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Loans at the Scheme Meeting. This Scheme will require the Scheme Creditors to agree, *inter alia*, to release all of their Scheme Claims in exchange for which each Scheme Creditor (and/or its Designated Recipient, as applicable) will be entitled to receive, in full and final settlement of its Scheme Claim, a distribution of its Scheme Consideration Entitlement pursuant to the terms of this Scheme.

**It is agreed** as follows:

**1 Definitions and interpretation**

- 1.1** Unless the context requires otherwise or a specific provision otherwise expressly provides to the contrary, capitalised terms in this Scheme shall have the meanings given to them in Part A (*Definitions*) of Schedule 1 (*Definitions and interpretation*).
- 1.2** Save as otherwise expressly provided, the principles of interpretation set out in Part B (*Interpretation*) of Schedule 1 (*Definitions and interpretation*) shall be applied in construing the provisions of this Scheme.

## **2 Application and effectiveness of this Scheme**

- 2.1** The provisions of this Scheme shall take effect on and from the Scheme Effective Date, and the compromise and arrangement effected by this Scheme (including any modifications to this Scheme made in accordance with Clause 16.1 (*Modification of this Scheme*)) shall apply to all Scheme Claims and be binding on the Company and each Scheme Party and its successors, assigns and transferees (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claims after the Record Date) on and from the Scheme Effective Date.
- 2.2** Notwithstanding any other provisions of this Scheme, the China Aoyuan Scheme Excluded Liabilities shall not be subject to the terms of this Scheme.
- 2.3** The Company shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent) confirming that the Scheme Effective Date has occurred as soon as reasonably practicable following the occurrence of the Scheme Effective Date.
- 2.4** If the Restructuring Effective Date has not occurred on or before the Longstop Date (as may be extended pursuant to Clause 16.1 (*Modification of this Scheme*)), the terms of, and obligations on the parties under or pursuant to, this Scheme shall lapse and all compromises and arrangements provided for by this Scheme shall have no force or effect in accordance with and subject to Clause 15 (*Termination of Scheme*) of this Scheme, and any Restructuring Documents held in escrow shall be promptly destroyed by or on behalf of the Company and the rights and obligations of the Scheme Creditors shall not be affected and shall be reinstated and remain in full force and effect.
- 2.5** Subject to compliance with Clause 16.1 (*Modification of this Scheme*), the Company shall promptly deliver a notice (by posting such notice on the Transaction Website in accordance with Clause 18 (*Notices*)) confirming any Longstop Date Extension to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent) on the date on which the extension becomes effective.
- 2.6** On and following the Restructuring Effective Date, the Scheme Claims of each Scheme Creditor, including any person who acquires any interest in or arising out of a Scheme Claim after the Record Date, shall be subject to the compromises and arrangements set out in this Scheme.

## **3 Grant of authority and instructions to take steps to implement this Scheme**

- 3.1** On and from the Scheme Effective Date, in consideration of the rights provided to the Scheme Creditors under this Scheme and notwithstanding any term of any Existing Debt Finance Document or any other agreement or document governing the terms of any Scheme Claim, and solely for the purposes of giving effect to the terms of this Scheme, each Scheme Creditor (on its own behalf and on behalf of its Designated Recipient, as applicable) other than the Existing Public Notes Trustee and the Existing Public Notes Common Depositary irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised representative) to, on behalf

of that Scheme Creditor (including any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claims after the Record Date):

- 3.1.1 enter into, execute, notarise, hold in escrow and, on and from the designated Restructuring Effective Date and in the order of the Restructuring Steps set out in Clause 4.3.2, release (or authorise the release) from escrow and deliver (whether as a deed or otherwise, and including, if applicable, before a notary in any jurisdiction), the Deeds of Release and each other Restructuring Document to which the Scheme Creditors, or any of them, are named as a party, and any other document referred to, contemplated by, or ancillary to, any of the foregoing;
- 3.1.2 agree on its behalf any amendments to the order of the Restructuring Steps set out in Clause 4.3.2 which the Company may deem (acting reasonably and in good faith) necessary or desirable in order to bring into effect the transactions intended to be entered into in order to effect the Restructuring, provided that such amendments do not change any right or obligation of or impose any additional obligation (by reference to such rights or obligations as are contemplated at the date of the Explanatory Statement) on a Scheme Creditor and do not materially and adversely affect a Scheme Creditor, and provided further that the Restructuring Steps in Clause 4.3.2(ix) shall always be conditional on the completion of the steps in Clauses 4.3.2(i) to 4.3.2(viii);
- 3.1.3 agree on its behalf any amendments to the Restructuring Documents which the Company and (if applicable) the other person(s) who will be party to the relevant Restructuring Document may deem (acting reasonably and in good faith) necessary or desirable in order to:
  - (i) ensure that they reflect and are consistent with the terms of this Scheme and the transactions intended to be entered into in order to effect the Restructuring;
  - (ii) ensure that the information and categories of information contained, or referred to, in any formula, schedule, annexe or similar, signature blocks, parties' provisions, notice details or placeholders in any Restructuring Document reflect the relevant information and categories of information as of the applicable date;
  - (iii) give effect to any amendment to a Restructuring Document as permitted in accordance with Clause 16.3 (*Modification of this Scheme*);
  - (iv) ensure that the Restructuring Documents may be duly executed and delivered; and/or
  - (v) ensure that the Restructuring Documents will be legal, valid, binding and enforceable upon the parties to them in accordance with this Scheme,provided that such amendments do not, by reference to the rights, benefits and obligations contemplated for the purpose of the Restructuring as at the date of the Explanatory Statement:
  - (i) adversely affect the rights or obligations of, or impose any additional obligation on, any Scheme Creditor,

- (ii) confer upon, enhance or create for the benefit of any Scheme Creditor any rights which are not proportionately and rateably conferred upon, enhanced or created for the benefit of all Scheme Creditors, and
  - (iii) otherwise materially adversely affect any Scheme Creditor;
- 3.1.4** in respect of the Existing Public Notes, take whatever action is necessary to liaise with the Existing Public Notes Administrative Parties to ensure that the books and records of the Clearing Systems are updated to reflect the terms of this Scheme;
- 3.1.5** in respect of the Existing Private Notes, instruct the Existing Private Notes Administrative Parties and each of their employees and agents (as applicable) to take whatever action or execute and comply with any Restructuring Documents reasonably required to give effect to the terms of this Scheme;
- 3.1.6** in respect of the Existing Loans, instruct the Existing Loans Administrative Parties and each of their employees and agents (as applicable) to take whatever action or execute and comply with any Restructuring Documents reasonably required to give effect to the terms of this Scheme;
- 3.1.7** grant powers of attorney to any duly authorised officer or agent of the Company as necessary with the same scope as those authorisations and directions provided by the Scheme Creditors pursuant to this Clause 3.1 in order to enter into, sign, execute, notarise, release and deliver all such documents, deeds, agreements, instruments, transfers or instructions scheduled to, referred to, ancillary to or contemplated by the Restructuring Documents, or as are considered by the Company (acting reasonably and in good faith) to be reasonably necessary or desirable to implement the Restructuring, in each case, which are required to be executed and/or delivered by or on its behalf;
- 3.1.8** carry out any related or ancillary actions that the Company reasonably considers necessary or desirable for the purposes of implementing this Scheme and/or enter into and perform any and all such documents that the Company reasonably considers necessary or desirable to give effect to the terms of this Scheme and/or the Restructuring Documents; and
- 3.1.9** agree on its behalf any amendments to the Restructuring Steps or any Restructuring Document with the prior written consent of the Ad Hoc Group and the CoCom, carry out any related or ancillary actions that the Company, the Ad Hoc Group and the CoCom agree in writing in advance to be reasonably necessary or appropriate for the purposes of implementing this Scheme and/or enter into and perform any and all such documents, in each case that the Company, the Ad Hoc Group and the CoCom agree in writing in advance to be reasonably necessary or appropriate to give effect to the terms of this Scheme and/or the Restructuring Documents.
- 3.2** On and from the Scheme Effective Date, in consideration of the rights provided to the Scheme Creditors under this Scheme and notwithstanding any term of any Existing Debt Finance Document or any other agreement or document governing the terms of any Scheme Claim, each Scheme Creditor (on its own behalf and on behalf of its Designated Recipient, as applicable) other than the Existing Public Notes Trustee and the Existing Public Notes Common Depositary irrevocably authorises, directs, instructs and empowers each Existing Debt Administrative Party, the Information Agent and each Aoyuan New Securities Administrative Party to, on behalf of that Scheme Creditor (including any person to whom a



Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for the purposes of facilitating the implementation of this Scheme, including (without limitation) taking all such actions as may be necessary or desirable in order to:

- 3.2.1 deliver, cancel, mark down and discharge each Existing Public Notes Global Notes;
  - 3.2.2 (without prejudice to any rights, privileges, immunities, indemnities and limitations of Liability of the Existing Public Notes Trustee, the Existing Public Notes Paying Agent, the Existing Public Notes Registrar and Transfer Agent and the Existing Public Notes Common Depositary under the Existing Public Notes Finance Documents) discharge all Liabilities in respect of the Existing Debt Finance Documents, other than the China Aoyuan Scheme Excluded Liabilities;
  - 3.2.3 execute the Deeds of Release;
  - 3.2.4 authorise and instruct the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent and the Information Agent to rely upon the provisions of this Scheme, without any duty to investigate further and without incurring any liability for doing so (other than any liability arising as a result of fraud, wilful default or wilful misconduct); and
  - 3.2.5 otherwise give effect to the terms of this Scheme and enter into and execute in their respective capacities the Restructuring Documents to which they are a party and any document that they reasonably consider necessary or desirable to implement this Scheme.
- 3.3 The appointments, authorisations, directions, instructions and powers granted by each Scheme Creditor to the Company, any Existing Debt Administrative Party or any Aoyuan New Securities Administrative Party under this Clause 3 shall expire upon the earlier of:
- 3.3.1 the termination of this Scheme in accordance with Clause 15 (*Termination of Scheme*); and
  - 3.3.2 the Restructuring Effective Date.
- 3.4 The appointments, authorisations, directions, instructions and powers granted under this Clause 3 shall be treated, for all purposes whatsoever and without limitation, as having been granted by deed.
- 3.5 Each Scheme Creditor (for itself and, if applicable, for its Designated Recipient and any person to whom a Scheme Creditor has transferred its rights in respect of its Scheme Claim after the Record Date) on and from the Restructuring Effective Date irrevocably ratifies and confirms any act or omission done, caused or purported to be done by the Company, any of the Advisers, each of the Existing Debt Obligors, each of the Aoyuan New Notes Obligors, each of the Existing Debt Administrative Parties, each of the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, each of the Deed of Subordination Parties and the Holding Period Trustee, or any of their respective directors, managers, officers, partners or Affiliates, pursuant to or for the purposes of giving effect to this Scheme, other than any act or omission done or made as a result of fraud, wilful default or wilful misconduct.

- 3.6** Notwithstanding any other provision of this Scheme, if the Restructuring Effective Date has occurred and a Restructuring Document has been executed and has become effective in accordance with its terms, then such Restructuring Document may only be amended in accordance with its terms.

## **4 Effect of the Scheme**

### **4.1 Step 1: Execution of the Restructuring Documents**

**4.1.1** As soon as practicable after the Scheme Effective Date, the Company shall:

- (i) execute but leave undated sufficient original copies of (as agreed between the parties thereto):
  - (a) all Restructuring Documents to which the Company is a party, on its own behalf; and
  - (b) all Restructuring Documents to which the Scheme Creditors are parties, on behalf of such Scheme Creditors (acting as their attorney and agent pursuant to the terms of this Scheme);
- (ii) procure that each other party to the Restructuring Documents (save for the Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties) promptly executes but leaves undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which it is a party, and promptly delivers such Restructuring Documents to the Company to be held in escrow by the Company and not released from escrow until the relevant Restructuring Step in Clause 4.3.2 occurs;
- (iii) procure that the Existing Public Notes Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and, where relevant, promptly deliver such Restructuring Documents to its legal adviser, to be held in escrow by its legal adviser and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the relevant Restructuring Step in Clause 4.3.2 occurs;
- (iv) procure that the Existing Private Notes Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs;
- (v) procure that the Existing Syndicated Facilities Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to its adviser, Allen & Overy, to be held in escrow by Allen & Overy and be released from escrow only when (a) each other party to the relevant Restructuring

Document has executed the same; and (b) the relevant Restructuring Step in Clause 4.3.2 occurs;

- (vi) procure that the Existing Loans Administrative Parties (other than the Existing Syndicated Facilities Administrative Parties) promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs; and
- (vii) procure that the Aoyuan New Securities Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs.

**4.1.2** In relation to the dating and delivery of each Restructuring Document, subject to and in accordance with the terms of this Scheme, each Scheme Creditor (other than the Existing Public Notes Trustee and the Existing Public Notes Common Depositary) authorises the Company (and its duly authorised representatives) to date, complete and release the Restructuring Documents to which that Scheme Creditor is a party and to accept delivery or service on their behalf of any Restructuring Document (and any other documents, notices or evidence expressly referred to in any such Restructuring Document) required to be delivered to it, without being required to obtain any further authorisations from any Scheme Creditor or from any other person or entity, provided that the relevant release shall only occur in accordance with the relevant Restructuring Step set out in Clause 4.3.2.

## **4.2 Step 2: Designation of Restructuring Effective Date**

**4.2.1** The Restructuring Effective Date shall be subject to the occurrence of, and will be incapable of occurring prior to:

- (i) the Restructuring Conditions Satisfaction Time; or
- (ii) after the Longstop Date.

**4.2.2** The Company shall use all reasonable endeavours to procure that:

- (i) the Restructuring Conditions are satisfied as soon as reasonably practicable following the Scheme Effective Date; and
- (ii) the Restructuring Effective Date occurs on or before the Longstop Date.

**4.2.3** Within five Business Days of the occurrence of the Restructuring Conditions Satisfaction Time, the Company shall designate a Restructuring Effective Date and shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent, the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent), the incoming Aoyuan New Notes Trustee, the incoming Aoyuan MCB Trustee and the

incoming Aoyuan Perpetuals Fiscal Agent confirming the designated Restructuring Effective Date.

- 4.2.4** In the event that the Company determines, acting reasonably and in good faith, that the Restructuring Effective Date should be amended or varied, the Company shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent, the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent), the incoming Aoyuan New Notes Trustee, the incoming Aoyuan MCB Trustee and the incoming Aoyuan Perpetuals Fiscal Agent confirming the new designated Restructuring Effective Date (being the first date that the Company, acting reasonably and in good faith, believes that it would be practicable for the Restructuring Effective Date to occur).
- 4.2.5** The Company shall only designate a Restructuring Effective Date on the same date that it designates a "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme) under each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme, and the designated "Restructuring Effective Date" must be the same date under and in respect of all the aforementioned schemes. In the event that the "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme) will not or does not occur under any of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme, then the Restructuring Effective Date will be delayed until a time that the "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme) is able to occur under each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan Cayman Scheme.
- 4.2.6** If the Restructuring Effective Date has not occurred by the Longstop Date, then the Restructuring Effective Date shall be incapable of occurring and this Scheme shall terminate in accordance with Clause 15 (*Termination of Scheme*).

### **4.3 Step 3: Restructuring Steps**

- 4.3.1** The Company and each Scheme Party hereby agrees that, subject to the occurrence of the Restructuring Conditions Satisfaction Time:
- (i) the Restructuring Steps shall be completed in the order set out in Clause 4.3.2;
  - (ii) each Restructuring Step shall be completed as soon as reasonably practicable following the completion of the previous Restructuring Step; and
  - (iii) in the event that any Restructuring Step (a "**Relevant Restructuring Step**") is not completed on the Business Day on which the Restructuring Steps are commenced pursuant to Clause 4.3.2, then:
    - (a) the process of the closing of the Restructuring shall be paused until the next date on which the Relevant Restructuring Step and all remaining Restructuring Steps can be completed (on which date all such Restructuring Steps shall be completed);

- (b) to the fullest extent permitted by law, such Relevant Restructuring Step, as well as all remaining Restructuring Steps completed after the Relevant Restructuring Step, shall be deemed to have occurred on the designated Restructuring Effective Date; and
- (c) no Scheme Party shall be permitted to raise any objection for the purposes of this Scheme in connection with the fact that a Restructuring Step has not been completed on the designated Restructuring Effective Date by reason of the operation of the provisions of this Clause 4.3.1(iii), provided that all Restructuring Steps have been completed on or before the Longstop Date.

**4.3.2** On the Restructuring Effective Date and subject to the occurrence of the Restructuring Conditions Satisfaction Time, the Company shall procure that the following steps shall occur in the order set out below (to the extent possible):

- (i) each Aoyuan New Notes Indenture, Aoyuan New Notes Paying Agent and Registrar Appointment Letter, Aoyuan MCB Trust Deed, Aoyuan MCB Agency Agreement, Aoyuan MCB Calculation Agency Agreement, Aoyuan Perpetuals Deed of Covenant and Aoyuan Perpetuals Fiscal Agency Agreement shall be delivered from escrow and become effective in accordance with its terms;
- (ii) the Holding Period Trust Deed shall be delivered from escrow and become effective in accordance with its terms;
- (iii) the Company shall deliver from escrow:
  - (a) the Aoyuan New Notes Global Notes to the Aoyuan New Notes Trustee, the Aoyuan New Notes Paying Agent, the Aoyuan New Notes Registrar and the Aoyuan New Notes Common Depositary;
  - (b) the Aoyuan MCB Global Certificates to the Aoyuan MCB Trustee, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar, the Aoyuan MCB Principal Conversion and Transfer Agent, the Aoyuan MCB Calculation Agent and the Aoyuan MCB Common Depositary; and
  - (c) the Aoyuan Perpetuals Global Certificates to the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Principal Paying Agent, the Aoyuan Perpetuals Registrar and Transfer Agent and the Aoyuan Perpetuals Common Depositary,

in each case along with: (x) the requisite instructions for their authentication; and (y) the requisite settlement instructions;

- (iv) the interests in the Aoyuan New Notes Global Notes, Aoyuan MCB Global Certificates and Aoyuan Perpetuals Global Certificates shall be credited as follows:
  - (a) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) who (i) are eligible to receive the RSA Fees (Aoyuan New Notes) in accordance with the terms of the Restructuring Support Agreement, in each case, to the relevant account in the Clearing Systems designated by the

relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);

- (b) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's Aoyuan New Securities Entitlement, in each case, to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);
- (c) in the case of the Blocked Aoyuan New Securities Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of this Scheme, including Clause 8 (*Distribution to the Escrow Agent*), who will hold such Blocked Aoyuan New Securities Entitlement in accordance with the terms of the Escrow Agreement; and
- (d) in the case of the Aoyuan New Securities Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold the relevant Unadmitted Entitlements on trust for the relevant Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;
- (v) the Aoyuan New Notes Security Document and the Aoyuan New Notes Collateral Agency Agreement shall be delivered from escrow and become effective in accordance with their terms;
- (vi) the Company to procure the Transfer Shares to be credited as follows:
  - (a) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's Transfer Shares Entitlement, in each case to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);
  - (b) in the case of the Blocked Transfer Shares Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold such Blocked Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and

- (c) in the case of the Transfer Shares Entitlement of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold the relevant Unadmitted Entitlements on trust for the relevant Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;
- (vii) the Company shall issue the New Shares in scrip form to Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's New Shares Entitlement;
- (viii) to the extent not already previously delivered from escrow and effective as provided for above, the other duly executed Restructuring Documents (other than each Deed of Release) shall be delivered from escrow and become effective in accordance with their terms; and
- (ix) conditional on the completion of each of the steps outlined in Clauses 4.3.2(i) to 4.3.2(viii), the following shall occur:
  - (a) each Deed of Release shall be delivered from escrow and become effective in accordance with each of their terms;
  - (b) the Company shall ensure that each of the Existing Public Notes Global Notes representing the Existing Public Notes is cancelled by the respective Existing Public Notes Paying Agents and shall give, and shall procure the giving of, all such instructions as are required to be given to the Existing Public Notes Trustees, the Existing Public Notes Common Depositaries and/or the Clearing Systems (as applicable) for such purpose; and
  - (c) the Company shall ensure that each of the Existing Syndicated Facilities, USD200m CCB Facility and USD200m Happy Team Facility is cancelled by the respective Existing Loans Administrative Parties (as applicable) and shall give, and shall procure the giving of, all such instructions as are required to be given to such Existing Loans Administrative Parties (as applicable) for such purpose.

#### **4.4 Step 4: Actions after the Restructuring Effective Date**

##### **4.4.1 The Company shall issue in scrip form:**

- (i) the New Shares Entitlement to the Unadmitted Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) on or before the Holding Period Expiry Date; and
- (ii) the Blocked New Shares Entitlement to the Blocked Scheme Creditors (Participating) and Blocked Scheme Creditors (Residual), if the Applicable Sanctions are lifted on or prior to the expiry of the Escrow Period, with such payment to be made as soon as reasonably practicable after the lifting of the Applicable Sanctions,

provided, always, that:

- (iii) if an Unadmitted Scheme Creditor fails to submit its validly completed Account Holder Letter, Lender Proxy Form, Designated Recipient Form (as applicable) and/or Distribution Confirmation Deed by no later than the Bar Time, that Unadmitted Scheme Creditor's rights in respect of its New Shares Entitlement shall be extinguished; and
- (iv) if the Applicable Sanctions are not lifted on or prior to the expiry of the Escrow Period, that Blocked Scheme Creditor's rights in respect of its New Shares Entitlement shall be extinguished.

**4.4.2** The Company shall pay (or procure payment of) the RSA Fees (Cash Component) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable), who (i) are eligible to receive the RSA Fees (Cash Component) in accordance with the terms of the Restructuring Support Agreement; and (ii) have after the Voting Instruction Deadline, but on or before the Bar Time, provided their validly completed Account Holder Letter or Lender Proxy Form (as applicable) setting out the payment details for the purpose of receiving the RSA Fees (Cash Component).

## **5 Scheme Consideration Entitlements**

**5.1** Subject to the other provisions of this Scheme, each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) and each Blocked Scheme Creditor shall receive its Scheme Consideration Entitlement or Blocked Scheme Consideration Entitlement (as applicable) in accordance with the provisions of Clause 4.3 (*Step 3: Restructuring Steps*), Clause 4.4 (*Step 4: Actions after the Restructuring Effective Date*), this Clause 5, Clause 7 (*Holding Period Trustee*) or Clause 8 (*Distribution to the Escrow Agent*) (as applicable).

### **Scheme Consideration Entitlement**

**5.2** The Scheme Consideration Entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) and the Blocked Scheme Consideration Entitlement of each Blocked Scheme Creditor shall be calculated by the Scheme Administrators (in consultation with the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable)) in accordance with the formula set out below and Clause 11.2 (*Fractional entitlements*) shall be distributed or allocated to such Scheme Creditor or Blocked Scheme Creditor (as applicable) in accordance with its validly completed Account Holder Letter, Lender Proxy Form and/or Blocked Scheme Creditor Form (as applicable).

Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Blocked Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB
Blocked Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB



Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
Blocked Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Blocked New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Transfer Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the Transfer Shares
Blocked Transfer Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the Transfer Shares

**5.3** A Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) shall only receive its Scheme Consideration Entitlement on the Restructuring Effective Date if:

**5.3.1** the Scheme Creditor (or its Account Holder on its behalf, as applicable) has submitted:

- (i) in the case of the Existing Noteholder, its validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form (as applicable));
- (ii) in the case of the Existing Lender, its validly completed Lender Proxy Form (alongside a validly completed Designated Recipient Form (as applicable)); and
- (iii) such other information as is required by the Information Agent to be submitted (as set out in the Solicitation Packet) to the Information Agent (via the Scheme Portal); and

**5.3.2** the Scheme Creditor (or its Designated Recipient, as applicable) is an Eligible Person, and a validly completed Distribution Confirmation Deed has been submitted by it (or its Account Holder on its behalf, as applicable) to the Information Agent (via the Scheme Portal),

in each case, by no later than the Voting Instruction Deadline.

**5.4** A Blocked Scheme Creditor shall (i) be allocated its Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on the Restructuring Effective Date if it is a Blocked Scheme Creditor (Participating); and (ii) will only be entitled to receive its Blocked New Shares Entitlement in accordance with Clause 4.4 (*Step 4: Actions after the Restructuring Effective Date*).

**Sanctioned Scheme Creditors**

- 5.5** For the avoidance of doubt, Sanctioned Scheme Creditors shall have no entitlement to any Aoyuan New Notes, Aoyuan MCB, Aoyuan Perpetuals, New Shares or Transfer Shares pursuant to Clauses 5.2 to 5.4. Sanctioned Scheme Creditors are required to contact the Company in writing pursuant to the notice details set out at Clause 18 (*Notices*) to bring their status as a Sanctioned Scheme Creditor to the attention of the Company on or before the Bar Time.

## **6 Determination and adjudication of Scheme Claims**

### **Determination of Scheme Claims**

**6.1** The Scheme Administrators shall:

- 6.1.1** assess Scheme Claims for the purposes of determining Scheme Consideration Entitlements;
- 6.1.2** issue (or procure the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent to deliver electronically) a Scheme Claim Determination Notice to each Scheme Creditor who has validly submitted an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable):
  - (i) in respect of Scheme Claims submitted on or before the Voting Instruction Deadline, within five Business Days of the Scheme Effective Date; or
  - (ii) in respect of Scheme Claims submitted after the Voting Instruction Deadline but on or before the Bar Time, within five Business Days of the Bar Time.

**6.2** In carrying out all of the calculations to be performed by them in accordance with this Scheme, the Scheme Administrators (in consultation with the Company, the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent) shall:

- 6.2.1** in respect of an Existing Notes Debt:
  - (i) verify such claim set out in the Account Holder Letter submitted by or on behalf of an Existing Noteholder (who is not a Sanctions-Affected Scheme Creditor) against the information provided in the Custody Instruction submitted via the Clearing System through which that Existing Noteholder holds its interest in the Existing Notes; or
  - (ii) verify such claim set out in the Blocked Scheme Creditor Form submitted by or on behalf of an Existing Noteholder (who is a Blocked Scheme Creditor) against any evidence as the Scheme Administrators may request and receive from such Existing Noteholder;
- 6.2.2** in respect of an Existing Loans Debt:
  - (i) verify such claim set out in the Lender Proxy Form submitted by that Existing Lender (who is not a Sanctions-Affected Scheme Creditor) against (a) the record of Existing Lenders and the amounts owed to them maintained by the Existing Syndicated Facilities Administrative Parties (as applicable) and (b) such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company; or
  - (ii) verify such claim set out in the Blocked Scheme Creditor Form submitted by that Existing Lender (who is a Blocked Scheme Creditor) against (a) the record of Existing Lenders and the amounts owed to them maintained by the

Existing Syndicated Facilities Administrative Parties (as applicable) and (b) such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company;

- 6.2.3 if applicable, apply the Reference Exchange Rate to convert any amount under the Scheme Claim that is not in US\$ to US\$,

provided, always, that, the Scheme Administrators:

- 6.2.4 shall be entitled to rely, in good faith, upon (i) information and documents supplied to them prior to the applicable deadline(s), including in the Account Holder Letters, Lender Proxy Forms, Blocked Scheme Creditor Forms, Distribution Confirmation Deeds, Designated Recipient Forms (as applicable) and (ii) such other information provided to the Scheme Administrators by the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent;

- 6.2.5 may, but are not required to, take account of any information or documents supplied to them after any applicable deadline for the provision of such information; and

- 6.2.6 shall work in consultation with the Company, the Information Agent and the Blocked Scheme Creditor Tabulation Agent, as they deem desirable, necessary and appropriate.

- 6.3 To the extent permitted by applicable law, any calculation and determination performed by the Scheme Administrators (or the Information Agent and Blocked Scheme Creditor Tabulation Agent, at the Scheme Administrators' direction) as set out in the Scheme Claim Determination Notice, on behalf of the Company, in accordance with this Scheme shall (in the absence of manifest error) be final and binding on each of the Scheme Creditors and the Company, unless a Scheme Creditor disputes the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim (such claim, a "**Disputed Scheme Claim**") by submitting a Disputed Scheme Claim Notice to the Scheme Administrators by 5 p.m. (Hong Kong time) on a date no later than five Business Days following its receipt of the Scheme Claim Determination Notice (for example, if a Scheme Claim Determination Notice is received by a Scheme Creditor on a Monday, a Disputed Scheme Claim Notice must be submitted on or before 5 p.m. (Hong Kong time) on the Monday of the following week).

#### **Adjudication of Disputed Scheme Claims**

- 6.4 Upon receipt of the Disputed Scheme Claim Notice, the Scheme Administrators and the relevant Scheme Creditor shall thereafter discuss in good faith with the view to resolve the Disputed Scheme Claim by agreement with the relevant Scheme Creditor during the Disputed Scheme Claim Resolution Period.
- 6.5 If a Scheme Creditor continues to dispute the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim and no agreement can be reached by the end of the Disputed Scheme Claim Resolution Period, the Scheme Creditor shall be entitled to apply in writing to the Adjudicator to review the Disputed Scheme Claim, provided such application is:
- 6.5.1 submitted by 5 p.m. (Hong Kong time) on the date which is no later than five Business Days following the end of the Disputed Scheme Claim Resolution Period (i.e. if the Disputed Scheme Claim Resolution Period ends on a Monday, a Scheme Creditor must apply in writing to the Adjudicator to review the Disputed Scheme

Claim on or before 5 p.m. (Hong Kong time) on the Monday of the following week); and

**6.5.2** made on the basis of the same grounds and supporting material set out in the Disputed Scheme Claim Notice.

**6.6** The Adjudicator shall only adjudicate upon a Disputed Scheme Claim, provided that the relevant Scheme Creditor or person claiming to be a Scheme Creditor confirms in its application to the Adjudicator that: (i) the determination by the Scheme Administrators is being disputed in good faith; (ii) it shall promptly and without undue delay deliver such documents and perform such acts as may reasonably be requested by the Adjudicator for the purpose of enabling him/her to reach a decision; and (iii) within three Business Days of any request by the Adjudicator, provide indemnification and/or pre-funding in such form and/or in such amounts as the Adjudicator may require, acting reasonably and in good faith.

**6.7** Failure to apply to the Adjudicator within the timeframe set out in Clause 6.5 and/or strictly comply with the provisions of Clause 6.6, shall be deemed to be an irrevocable acceptance by the Scheme Creditor of the decision of the Scheme Administrators in respect of its Scheme Claim and any right to further challenge the finding of the Scheme Administrators in respect of such Scheme Claim shall be waived.

**6.8** The Adjudicator shall review the Disputed Scheme Claim and relevant evidence before him/her (and any additional evidence as he/she may request and receive from the relevant Scheme Creditor, the Company and any factual and/or expert witnesses) in relation to the Disputed Scheme Claim and determine, on the balance of probabilities, whether all or part of that Disputed Scheme Claim would be admissible as a proof in the Company's winding up in the Cayman Islands and/or Hong Kong and therefore should be admitted for the purposes of receiving distributions under or in connection with the Scheme.

**6.9** The Adjudicator shall have discretion to extend such timeframes and/or adopt procedures (including, without limitation, requesting written submissions and further evidence from the parties, requesting oral hearings and/or the provision of expert evidence) relevant to the nature of the Disputed Scheme Claim being considered so as to provide a fair, efficient and expeditious means for the final resolution of the Disputed Scheme Claim. Specifically, the Adjudicator may, in his/her sole discretion and as the Adjudicator considers appropriate:

**6.9.1** provide additional directions to the relevant Scheme Creditor, the Company and/or the Scheme Administrators to submit written submissions and further evidence;

**6.9.2** establish the conduct of any oral hearing (including its date, form, content, procedure, time limits and geographical place), provided each of the relevant Scheme Creditor and the Company is given reasonable notice in writing of any such event;

**6.9.3** appoint one or more experts (who shall be and remain impartial and independent of the Company and the relevant Scheme Creditor) to report in writing to him/her on specific issues relating to the Disputed Scheme Claim, as identified by the Adjudicator;

**6.9.4** extend the timetable set out in Clause 6.10; and

**6.9.5** make an order as to costs of the adjudication (including the legal and other expenses incurred) against the Company or the Scheme Creditor guided by the principle that costs follow the event.

- 6.10** Within 10 Business Days of being referred a Disputed Scheme Claim pursuant to Clause 6.5, the Adjudicator shall:
- 6.10.1** deliver the Adjudicator Decision on the basis of the documents received from the Scheme Administrators, the Company and/or the relevant Scheme Creditor, as applicable, by such time; and
  - 6.10.2** provide a copy of the same to the Scheme Administrators, the Company and the relevant Scheme Creditor.
- 6.11** Communications between the Adjudicator, the Scheme Administrators, the Company and the relevant Scheme Creditors shall be conducted by electronic mail (other than in circumstances where the Adjudicator determines that oral submissions are necessary).
- 6.12** The Scheme Creditor's Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) shall be deemed to have been varied in accordance with the Adjudicator Decision.
- 6.13** Notwithstanding any other provision in this Scheme, the Company is not required to postpone the Restructuring Effective Date in the event that any Disputed Scheme Claim has not been determined by the Adjudicator on or before the Restructuring Effective Date.

## **7 Holding Period Trustee**

- 7.1** For (i) Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) who are not issued any of their Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) on the Restructuring Effective Date; and (ii) Blocked Scheme Creditors who are not allocated any of their Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on the Restructuring Effective Date (each such Scheme Creditor, an **"Unadmitted Scheme Creditor"**), such Unadmitted Scheme Creditor's Aoyuan New Securities Entitlement, Transfer Shares Entitlement, Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement or RSA Fees (Aoyuan New Notes) (as applicable) (the **"Unadmitted Entitlement"**, with the Unadmitted Entitlements of all Unadmitted Scheme Creditors being the **"Unadmitted Entitlements"**) shall instead be issued and delivered to the Holding Period Trustee on the Restructuring Effective Date in accordance with Clauses 4.3.2(iv)(d) and 4.3.2(vi)(c) (as applicable). The Holding Period Trustee will hold such Unadmitted Entitlement on trust for the relevant Unadmitted Scheme Creditor as part of the Trust Assets held on trust for all Unadmitted Scheme Creditors subject to and pursuant to the terms of the Holding Period Trust Deed, until the Holding Period Expiry Date.
- 7.2** Subject to and in accordance with the terms of the Holding Period Trust Deed and, provided that in each case, the relevant Unadmitted Scheme Creditor has established its entitlement to its share of the relevant Trust Assets by the Bar Time in accordance with the terms of the Holding Period Trust Deed:
- 7.2.1** an Unadmitted Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) may, prior to the Bar Time, make a request in writing for the transfer of its share of the relevant Trust Assets to it (or its Designated Recipient, as applicable) by the Holding Period Trustee, with such Trust Assets to be transferred to that Unadmitted Scheme Creditor (or its Designated Recipient) on or before the Holding Period Expiry Date; and

7.2.2 an Unadmitted Scheme Creditor who is a Blocked Scheme Creditor, may, prior to the Bar Time, make a request in writing for the allocation of its share of the relevant Trust Assets to it by the Holding Period Trustee, with such Trust Assets to be transferred to the Escrow Agent (to the extent permitted by the Applicable Sanctions) to be held in accordance with the terms of the Escrow Agreement on the Holding Period Expiry Date.

7.3 If an Unadmitted Scheme Creditor fails to establish its entitlement to the Trust Assets in accordance with the terms of the Holding Period Trust Deed prior to the Bar Time, that Unadmitted Scheme Creditor's rights under this Scheme shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) under this Scheme.

7.4 Subject to Clause 7.5, no person other than the relevant Unadmitted Scheme Creditor shall at any time whatsoever, either present or future, have any beneficial interest in the Trust Assets, until after the Holding Period Expiry Date.

7.5 The Holding Period Trustee will, as soon as reasonably practicable after the Holding Period Expiry Date (and provided that it has complied with all properly delivered requests for the transfer of Trust Assets pursuant to Clause 7.2), transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company (or in respect of any Transfer Shares Entitlement only, to any person nominated by the Company) at the Company's cost, and the relevant Unadmitted Scheme Creditors shall have no entitlement to such remaining Trust Assets or any rights or claims against the Company, the Holding Period Trustee or any other person in respect thereto. To the extent that any such remaining Trust Assets transferred to the Company comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Principal Paying Agent or Aoyuan Perpetuals Principal Paying Agent (as applicable) for cancellation.

7.6 The Scheme Parties acknowledge and agree that the Holding Period Trustee has the power to appoint an additional or replacement trustee over the Trust Assets at any time pursuant to the terms of the Holding Period Trust Deed, subject to any additional or replacement trustee agreeing to be bound by the terms of this Scheme and the Holding Period Trust Deed.

## **8 Distribution to the Escrow Agent**

8.1 The Company undertakes to enter into an Escrow Agreement and appoint an Escrow Agent to hold the Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on behalf of any Blocked Scheme Creditors (Participating) and Blocked Scheme Creditors (Residual) for the Escrow Period (to the extent permitted by the Applicable Sanctions) on the earlier of:

8.1.1 the Restructuring Effective Date, if there are one or more Blocked Scheme Creditors (Participating); or

8.1.2 the Holding Period Expiry Date, if there are one or more Blocked Scheme Creditors (Residual),

provided, always, that, if there is no Scheme Creditor that constitutes a Blocked Scheme Creditor (Participating) as of the Restructuring Effective Date and there is no Scheme

Creditor that constitutes a Blocked Scheme Creditor (Residual) as of the Holding Period Expiry Date, the Company will have no obligation to enter into such Escrow Agreement or appoint any Escrow Agent under this Clause 8.1.

- 8.2** Subject always to such arrangements being permissible under Applicable Sanctions, and further subject to the terms of the Escrow Agreement, the Company shall put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement upon the lifting of the Applicable Sanctions in respect of any Blocked Scheme Creditors.
- 8.3** Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, any Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement which remain unable to be distributed to Blocked Scheme Creditors in compliance with the Applicable Sanctions will be returned to the Company (or in respect of any Transfer Shares Entitlement only, any person nominated by the Company) in accordance with the terms of the Escrow Agreement. To the extent that the Blocked Aoyuan New Securities Entitlement transferred to the Company comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Principal Paying Agent or Aoyuan Perpetuals Principal Paying Agent (as applicable) for cancellation. The rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement shall be extinguished on the return of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement to the Company, including any rights of Blocked Scheme Creditors in respect of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement.

## **9 Scheme Administrator**

### **Role of the Scheme Administrators**

- 9.1** On the Scheme Effective Date, the Scheme Administrators shall be appointed, with the powers, rights, duties and functions conferred upon them jointly and severally by this Scheme.
- 9.2** The Company acknowledges and agrees that each Scheme Administrator is permitted to exercise all the powers given to the Scheme Administrators and rely upon all the provisions relevant to the Scheme Administrators under the Scheme.
- 9.3** The Scheme Administrators shall discharge the duties and responsibilities imposed upon the Scheme Administrators by the Scheme.
- 9.4** In exercising their powers and carrying out their duties under this Scheme, the Scheme Administrators:
- 9.4.1** shall act as agents of the Company;
  - 9.4.2** shall act in good faith and with due care and diligence in the interests of the Scheme Creditors as a whole, and shall at all times exercise their powers under this Scheme for the purpose of ensuring that it is implemented in accordance with its terms;
  - 9.4.3** shall have only those duties and responsibilities expressly specified in this Scheme and shall not have any implied duties or responsibilities whatsoever; and

- 9.4.4 may refrain from doing anything which would or might in their opinion be contrary to any law, directive or regulation of any applicable jurisdiction and may do anything which is, in their opinion, necessary to comply with any such law, directive or regulation and such Scheme Administrator shall not be liable for any loss occasioned thereby,

provided that the Scheme Administrators cannot exercise any power that would result in them assuming control of the Company's affairs or being regarded as a *de facto* Director of the Company.

#### **Powers of the Scheme Administrators**

- 9.5 The Scheme Administrators shall have the right and power, either in their own names or as agents of the Company or otherwise and in such manner and upon such terms and conditions as they think fit, and either alone or jointly:

- 9.5.1 to have full access to all such information contained or represented in any format whatsoever in the possession or under the control of the Company as they may from time to time require in order to evaluate the Scheme Claims submitted by Scheme Creditors to the Information Agent and Blocked Scheme Creditor Tabulation Agent;
- 9.5.2 to employ and remunerate accountants, actuaries, lawyers and other professional advisers or agents (including their partners and the partners and staff of all associated firms, associations and companies or their successors or any of them) in connection with the evaluation by the Scheme Administrators of Scheme Claims, at the costs of the Company;
- 9.5.3 to delegate in writing to any person all or any of the powers and discretion conferred upon the Scheme Administrators under this Scheme, and from time to time to revoke any such delegation, provided that the Scheme Administrators shall be personally responsible for any act or omission of any such delegate to the same extent as if he/she had expressly authorised it;
- 9.5.4 to apply to the HK Court for directions in relation to any particular matter arising under, or in the course of the operation of, this Scheme, at the costs of the Company;
- 9.5.5 to make any payment and distributions which is necessary or incidental to the performance of their functions;
- 9.5.6 to do all other things incidental to the exercise of the foregoing powers; and
- 9.5.7 to exercise any other powers necessary for or incidental to the full and proper implementation of their obligations under this Scheme.

#### **Liability of Scheme Administrators**

- 9.6 Except in the case of fraud, wilful default or wilful misconduct, the Scheme Administrators will not be liable to the Company or any Scheme Creditor for any act or omission by the Scheme Administrators in the performance or purported performance of their powers, rights, duties and functions under this Scheme.
- 9.7 Except to the extent permitted by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by a Scheme Administrator in accordance with, and to implement, the provisions of this Scheme, or the exercise by a Scheme Administrator in good faith of any power conferred upon him or her for the purposes



of the Scheme, if exercised in accordance with, and to implement the provisions of, the Scheme.

#### **Vacation of office**

- 9.8** A Scheme Administrator shall vacate office if he or she:
- 9.8.1** dies;
  - 9.8.2** is convicted of an indictable offence;
  - 9.8.3** resigns his or her office by providing at least two weeks' notice to the Company (or such shorter period of time as may be agreed by the Company);
  - 9.8.4** becomes bankrupt;
  - 9.8.5** is disqualified from membership of a professional body of which he or she is a member;
  - 9.8.6** is mentally incapacitated; or
  - 9.8.7** has a conflict of interest.
- 9.9** If there is no Scheme Administrator in office, the Company shall promptly fill the vacancy and provide written notice to the Scheme Creditors of any such appointment, unless the Scheme Administrator has resigned on grounds that there is no further work to be done by the Scheme Administrator under this Scheme.
- 9.10** The appointment of the Scheme Administrator shall terminate upon the earlier of:
- 9.10.1** the termination of this Scheme in accordance with Clause 15 (*Termination of Scheme*); and
  - 9.10.2** the Restructuring Effective Date.

## **10 Adjudicator**

#### **Role of the Adjudicator**

- 10.1** In the event a Scheme Creditor files a Disputed Scheme Claim Notice in accordance with Clause 6.3 (*Determination of Scheme Claims*), the Company shall (i) appoint a Qualified Person to be an Adjudicator and (ii) give a written notice to the Scheme Creditors of any such appointment(s) and the contact details of each Adjudicator so appointed.
- 10.2** In exercising his powers and carrying out his duties and functions under this Scheme, the Adjudicator:
- 10.2.1** shall act as an expert, and not as an arbitrator, with respect to all matters referred to him or her under Clause 6.5 (*Adjudication of Disputed Scheme Claims*) of the Scheme;
  - 10.2.2** shall act in good faith and with due care and diligence with a view to making an independent adjudication and the final determination of Disputed Scheme Claims referred to them in accordance with the terms of this Scheme; and
  - 10.2.3** shall at all times exercise his or her powers under the Scheme for the purpose of ensuring that it is implemented in accordance with its terms.

#### **Powers of the Adjudicator**

- 10.3** The Adjudicator shall have the powers, duties and functions, and the rights, conferred upon him in accordance with Clauses 6.8 to 6.10 of the Scheme.

**Liability of the Adjudicator**

- 10.4** Except in the case of fraud, wilful default or wilful misconduct, the Adjudicator will not be liable to the Company or any Scheme Creditor for any act or omission by the Adjudicator in the performance or purported performance of his powers, rights, duties and functions under this Scheme.
- 10.5** Except to the extent required by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by the Adjudicator in accordance with, and to implement, the provisions of this Scheme, or the exercise by the Adjudicator in good faith of any power conferred upon him or her for the purposes of the Scheme, if exercised in accordance with, and to implement, the provisions of the Scheme.

**Vacation of office**

- 10.6** The Adjudicator shall vacate office if he or she:
- 10.6.1** dies;
  - 10.6.2** is convicted of an indictable offence;
  - 10.6.3** resigns his or her office by providing at least two weeks' notice to the Company (or such shorter period of time as may be agreed by the Company);
  - 10.6.4** becomes bankrupt;
  - 10.6.5** is disqualified from membership of a professional body of which he is a member;
  - 10.6.6** is mentally incapacitated; or
  - 10.6.7** has a conflict of interest.
- 10.7** In the event the Adjudicator vacates his or her office, the Company shall promptly fill the vacancy and provide written notice to the Scheme Creditors of any such appointment, unless the Adjudicator has resigned on grounds that there is no further work to be done by the Adjudicator under this Scheme.

**11 Other provisions applicable to the determination of Scheme Claims and Scheme Consideration Entitlements**

**11.1 Assignments or transfers of Scheme Claims after the Record Date**

- 11.1.1** The Company, the Scheme Administrators, the Chairperson, the Blocked Scheme Creditor Tabulation Agent and the Information Agent shall not be under any obligation to recognise any assignment or transfer of Scheme Claims after the Record Date, and all entitlements of Scheme Creditors (and/or their Designated Recipients, as applicable) under this Scheme shall be determined as at the Record Date, provided that, where the Company has received from the relevant parties written notice of such assignment or transfer, the Company may in its sole and absolute discretion, and subject to the production of such evidence as it may reasonably require and to any other terms and conditions which the Company may consider necessary or desirable, agree to recognise such assignment or transfer for the purposes of determining Scheme Consideration Entitlements under this Scheme.

- 11.1.2 Any assignee or transferee of interests in the Existing Debt recognised by the Company pursuant to Clause 11.1.1 shall be bound by the terms of this Scheme as a Scheme Creditor and shall produce such evidence as the Company may reasonably require to confirm that it has agreed to be bound by the terms of this Scheme.

## **11.2 Fractional entitlements**

- 11.2.1 Notwithstanding any other provision of this Scheme, all entitlements to the Aoyuan New Securities under this Scheme will be rounded down to the nearest USD1.00, subject to a minimum denomination of USD1,000 and integral multiples of USD1.00 in excess thereof. All entitlements to the Aoyuan New Securities under this Scheme which would have arisen, but for this Clause 11.2.1, shall be disregarded and no cash or other consideration will be due in respect of any such entitlements.
- 11.2.2 Notwithstanding any other provision of this Scheme, the New Shares Entitlements and Transfer Shares Entitlements of the Scheme Creditors under this Scheme shall be rounded to the nearest integer. All entitlements to any New Shares Entitlements and/or Transfer Shares Entitlements under this Scheme which would have arisen, but for this Clause 11.2.2, shall be disregarded and no cash or other consideration will be due in respect of any such entitlements.

## **11.3 Provision of information by Scheme Creditors**

### **Provision of information by Scheme Creditors (who are not Sanctions-Affected Scheme Creditors)**

- 11.3.1 Any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed, and, as applicable, Designated Recipient Form, submitted by or on behalf of any Scheme Creditor shall be submitted in accordance with the instructions set out in the relevant Account Holder Letter, Lender Proxy Form, the Solicitation Packet and this Scheme.
- 11.3.2 Whether an Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Information Agent), provided that, if the Scheme Administrators determine that any such document has not been validly completed, the Scheme Administrators shall (through the Information Agent) promptly send a written statement to the relevant Scheme Creditor through the Scheme Portal indicating their reasons for their determination.
- 11.3.3 The Company may disclose any Account Holder Letter, Distribution Confirmation Deed and Designated Recipient Form, and each of their respective contents (alongside any other information provided by a Scheme Creditor (and its Designated Recipient, as applicable)), on a confidential basis to such persons and such Advisers as are necessary to facilitate the consummation of the Restructuring.
- 11.3.4 Each Scheme Creditor acknowledges that the Information Agent and Scheme Administrators are agents of the Company, and owe no duty or responsibility towards any Scheme Creditor and the Scheme Administrators and the Information Agent will not be responsible for any loss or liability incurred by a Scheme Creditor as a result of any such determination by the Scheme Administrators (on behalf of the Company and in consultation with the Information Agent) pursuant to Clauses 6 (*Determination and adjudication of Scheme Claims*) and 11.3.2, except to the extent that such loss

or liability is incurred by a Scheme Creditor and is attributable to fraud, wilful default or wilful misconduct on the part of the Scheme Administrators or Information Agent.

**Provision of information by Blocked Scheme Creditors**

- 11.3.5** Any Blocked Scheme Creditor Form shall be submitted in accordance with the instructions set out in the relevant Blocked Scheme Creditor Form, the Solicitation Packet and this Scheme.
- 11.3.6** Whether a Blocked Scheme Creditor Form has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Blocked Scheme Creditor Tabulation Agent), provided that, if the Scheme Administrators and/or Blocked Scheme Creditor Tabulation Agent determines that any such document has not been validly completed, the Blocked Scheme Creditor Tabulation Agent shall promptly send by email a notification with a written statement of its reasons for its determination to the party that provided the relevant document.
- 11.3.7** The Company may disclose any Account Holder Letter, Lender Proxy Form, Blocked Scheme Creditor Form and its contents (alongside any other information provided by a Blocked Scheme Creditor), on a confidential basis to such persons and such Advisers as are necessary to facilitate the consummation of the Restructuring.
- 11.3.8** The Scheme Administrators, the Chairperson and the Blocked Scheme Creditor Tabulation Agent will not be responsible for any loss or liability incurred by a Blocked Scheme Creditor as a result of any such determination by the Scheme Administrators, the Chairperson and/or the Blocked Scheme Creditor Tabulation Agent (on behalf of the Company and in consultation with the Blocked Scheme Creditor Tabulation Agent) pursuant to Clauses 6 (*Determination and adjudication of Scheme Claims*) and 11.3.6, except to the extent that such loss or liability is incurred by a Blocked Scheme Creditor and is attributable to the fraud, wilful default or wilful misconduct on the part of the Scheme Administrators, Chairperson or the Blocked Scheme Creditor Tabulation Agent.

**11.4 Calculations by the Scheme Administrators, Chairperson, Information Agent and the Blocked Scheme Creditor Tabulation Agent**

- 11.4.1** In carrying out all of the calculations to be performed by them in accordance with this Scheme (and which are to be confirmed by the Company), the Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent:
- (i) shall be entitled to rely in good faith upon information and documents supplied to it prior to the applicable deadline(s), including, in the case of the Scheme Administrators, the Chairperson and the Information Agent, the Account Holder Letters, Distribution Confirmation Deeds and Designated Recipient Forms (as applicable), and in the case of the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor Forms;
  - (ii) may, but are not required to, take account of any information or documents supplied to them after any applicable deadline for the provision of such information; and
  - (iii) shall work in consultation with each other and the Company, as appropriate.

- 11.4.2** To the extent permitted by applicable law, and subject to Clause 6.3 (*Determination of Scheme Claims*), any calculation performed by the Scheme Administrators, the Information Agent or the Blocked Scheme Creditor Tabulation Agent (on behalf of the Company) in accordance with this Scheme shall (in the absence of manifest error) be final and binding.
- 11.4.3** The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent shall not be liable or responsible for any liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Scheme and shall bear no obligation or responsibility to any person in respect of this Scheme unless such liability arises as a result of fraud, wilful default or wilful misconduct. The Company has retained the Information Agent to provide the information agent services described herein (subject to the terms of a separate agreement between the Company and the Information Agent). The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent are each an agent of the Company and each owe no obligation towards or relationship of agency or trust with any third party or any other party (including, without limitation, the Scheme Creditors) in respect of the performance of their duties as Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable). The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent shall be obligated to perform such duties and only such duties as are specifically set forth in this Scheme, the Explanatory Statement and the Solicitation Packet. No implied duties or obligation shall be read into the aforesaid documents against the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent. The Information Agent and the Blocked Scheme Creditor Tabulation Agent shall not be under any duty to inquire into or investigate the validity, accuracy or content of any instruction from the Company or Scheme Creditor and may rely conclusively thereon.
- 11.4.4** The Information Agent is not required to monitor compliance or performance by the Company or the Scheme Creditors of their respective duties and obligations. The Information Agent will only check such claims set out in the Account Holder Letters and Lender Proxy Forms submitted against Custody Instructions and against the records of Scheme Creditors provided to the Information Agent by the Company. The Information Agent will assist the Company, the Chairperson and the Scheme Administrator in checking the voting values of each Scheme Creditor (who is not a Blocked Scheme Creditor) based on such information. Otherwise, the Information Agent has no duty to calculate or verify any amounts in relation to this Scheme. For the avoidance of doubt, the Information Agent does not validate or assess Scheme Claims.
- 11.4.5** None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person are required to monitor compliance or performance by the Company or the Scheme Creditors of their respective duties and obligations. It is the sole responsibility of each Scheme Creditor to ensure that any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) submitted in respect of its Scheme Claim has been validly completed,

including the Accession Code, if applicable and that any Custody Instruction has been validly submitted via the Clearing Systems.

- 11.4.6** None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person will be responsible for any loss or liability incurred by a Scheme Creditor as a result of any determination by the Scheme Administrators, the Chairperson, the Holding Period Trustee or the Blocked Scheme Creditor Tabulation Agent that the Account Holder Letter and/or Lender Proxy Form or Blocked Scheme Creditor Form have not been validly and duly completed.
- 11.4.7** Notwithstanding anything to the contrary and under no circumstances will the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent be liable for any special, punitive, indirect or consequential loss or damage (including, without limitation, for any loss of business, goodwill, opportunity or profit) of any kind whatsoever, in each case howsoever caused or arising, directly or indirectly, and whether or not foreseeable, even if it is actually aware or has been advised of the possibility of such loss or damage and regardless of the form of action. This protection shall survive the resignation or removal of the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent.
- 11.4.8** Neither the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is obliged, under the terms of this Scheme or otherwise, to engage in any transaction or conduct that may give rise to a liability under or in connection with Applicable Sanctions and/or may result in any person becoming targeted by Applicable Sanctions.
- 11.4.9** If compliance with any obligations under the terms of this Scheme or otherwise would result in the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their directors, officers, employees, agents, affiliates or advisers breaching the Blocking Regulation, that obligation need not be complied with (but only to the extent of the breach).

## **12 Releases and waivers**

- 12.1** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), all of the rights, title and interest of:
  - 12.1.1** each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities); and
  - 12.1.2** each Existing Debt Administrative Party to any claims they have or may have under any of the Existing Debt Finance Documents or any parallel debt covenants (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of this Scheme and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assigns

(including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debts or otherwise all or any part of its Scheme Claims after the Record Date).

- 12.2** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), each Scheme Creditor (to the extent it has not already done so pursuant to Clause 12.1 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

**12.2.1** the China Aoyuan Offshore Group; and

**12.2.2** each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent; and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above in this Clause 12.2, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents; (ii) the Scheme Claims; and/or (iii) the negotiation, preparation, implementation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme (including, without limitation, this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

- 12.3** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties

and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel and Affiliates and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

**12.4** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

**12.4.1** the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);

**12.4.2** the negotiation, preparation, implementation and/or consummation of this Scheme, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or

**12.4.3** the execution of this Scheme, the Restructuring Documents or any other documents required in order to implement this Scheme, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in this Scheme, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

**12.5** Nothing in this Clause 12 shall:

**12.5.1** in any way impair or prejudice any rights of any Scheme Creditor arising under this Scheme or any Restructuring Document (including as a consequence of non-compliance with the terms of this Scheme or the Restructuring Documents);

**12.5.2** (without prejudice to the generality of Clause 12.5.1 above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the Scheme and/or any Restructuring Documents;

**12.5.3** extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;

**12.5.4** apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to,



under or in connection with the Existing Debt Finance Documents, the Scheme or the Restructuring;

**12.5.5** apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring; or

**12.5.6** release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

**12.6** The waivers, releases and discharges granted under this Clause 12 shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.

### **13 Exclusion of liability and indemnity**

**13.1** To the extent permitted by law, no Scheme Creditor (or its Designated Recipient, as applicable) or the Company shall be entitled to challenge the validity of any act done or omitted to be done in good faith by any of the Advisers, each of the Existing Debt Administrative Parties, each of the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, each of the Deed of Subordination Parties and the Holding Period Trustee (or any of their respective authorised signatories, directors, agents, employees and/or delegates) (the "**Excluded Persons**") in connection with their actions or omissions pursuant to the provisions of this Scheme or the exercise by any of the Excluded Persons in good faith of any power conferred upon them for the purposes of this Scheme if exercised in good faith in accordance with the provisions of this Scheme. For the avoidance of doubt, no Excluded Person shall be liable for any cost, loss or liability in connection with this Scheme unless such loss is attributable to its fraud, wilful default or wilful misconduct.

**13.2** With respect to the Scheme Creditors or any other person affected or bound by this Scheme, each Existing Debt Administrative Party undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Scheme and the Existing Debt Finance Documents. The Holding Period Trustee shall have only those duties, obligations and responsibilities expressly specified in this Scheme and the Holding Period Trust Deed and no others shall be implied.

**13.3** Nothing in this Scheme shall impose any obligation on any of the Existing Debt Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, the Holding Period Trustee and/or the Aoyuan New Securities Administrative Parties to expend its own funds or pay any amount out of its personal assets with respect to any claims made by a Scheme Creditor as a result of any of such parties taking any of the steps contemplated by this Scheme and executing any releases of any guarantees pursuant to each Deed of Release except to the extent that the same arises from its fraud, wilful default or wilful misconduct.

**13.4** None of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation

Agent, the Scheme Administrators, the Chairperson, the Adjudicator, the Holding Period Trustee and/or their respective directors, officers, employees, agents and advisers (i) shall be responsible for providing any advice to any Scheme Creditor in relation to this Scheme; (ii) expresses any opinion on the merits of this Scheme or the terms of the Aoyuan New Securities; (iii) has been involved in negotiating or determining the terms of this Scheme; (iv) makes any representation that all relevant information has been disclosed to the Scheme Creditors in or pursuant to this Scheme; (v) has verified, or assumes any responsibility or liability for the accuracy or completeness of any of the information concerning this Scheme, or any factual statements contained in, or the effect or effectiveness of, this Scheme; and (vi) shall be personally responsible or accountable in damages or otherwise to any Scheme Creditor or any other person affected or bound by this Scheme for any loss, damage or claim incurred by reason of any act or omission performed or omitted, or to be performed or omitted, by any of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent or the Holding Period Trustee in good faith in accordance with this Scheme.

- 13.5** None of the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson and/or their respective directors, officers, employees, agents and advisers will (i) have any tortious, contractual or any other liability to any person in connection with the determination of whether a Scheme Creditor is a Sanctions-Affected Scheme Creditor; or (ii) accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from the determination of whether a Scheme Creditor is a Sanctions-Affected Scheme Creditor, even if they have been advised of the possibility of such damages.
- 13.6** None of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator or the Holding Period Trustee shall be personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any Scheme Creditors or any other person affected or bound by this Scheme, with all such liability, if any, being expressly waived by any such persons claiming by, through or under any of the foregoing.
- 13.7** Each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator and the Holding Period Trustee shall at all times be entitled to and may rely on any document, notice, consent, order, opinion or certificate given, issued or granted by any person or court that it reasonably believes to be genuine and correct pursuant to this Scheme without being under any obligation to enquire or otherwise determine whether any such notice, consent, order, opinion or certificate is adequate, accurate and/or complete and has been given or granted in accordance with applicable laws or any contractually binding obligation and without being under any responsibility or being under any obligation to validate the legality, effectiveness, completeness, adequacy or enforceability of the Restructuring that is to be implemented as a consequence of this Scheme.
- 13.8** The Company shall hold each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the

Adjudicator and the Holding Period Trustee and each of their respective directors, officers, employees, agents and advisers harmless from, and shall indemnify each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator and the Holding Period Trustee from and against, any claims, damages, charges, losses, liabilities, costs and expenses which may be incurred by any Existing Notes Administrative Party, any Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent or the Holding Period Trustee (as applicable), or asserted or awarded taking any of the steps contemplated by this Scheme by any such person except to the extent that the same arises from the fraud, wilful default or wilful misconduct of any such person.

- 13.9** Nothing in this Clause 13 shall (i) prevent a Scheme Creditor from pursuing or taking any action in relation to an Allowed Proceeding; or (ii) impair or prejudice any rights of any Scheme Creditor in respect of the obligations or potential liability of any Add Hero Notes Administrative Party or the Holding Period Trustee arising under any Restructuring Document on or after the Restructuring Effective Date.

## **14 Stay of Proceedings**

- 14.1** From the Scheme Effective Date, but subject to the termination of this Scheme pursuant to Clause 15 (*Termination of Scheme*) or otherwise, no Scheme Creditor shall commence, continue, support any person commencing, continuing or supporting, or instruct any person to commence, continue, support or take, any Proceeding against any Restructuring Released Party in respect of any claims or Liabilities that are to be released in accordance with Clause 12 (*Releases and waivers*) and the Deeds of Release, provided that nothing in this Clause 14 shall prevent a Scheme Creditor from pursuing or taking any action in relation to an Allowed Proceeding.

- 14.2** For the avoidance of doubt, and notwithstanding any other provision of this Scheme or the Deeds of Release:

**14.2.1** subject to any applicable contractual restrictions, a Scheme Creditor may commence a proceeding against the Company after the Restructuring Effective Date in respect of claims or Liabilities that are not to be released in accordance with Clause 12 (*Releases and waivers*) and the Deeds of Release; and

**14.2.2** a Scheme Creditor may commence a proceeding against the Company to compel the Company to perform its obligations under this Scheme.

## **15 Termination of Scheme**

- 15.1** If the Restructuring Effective Date has not occurred, and:

**15.1.1** the steps outlined in Clauses 4.3.2(i) to 4.3.2(ix) (inclusive) have not been completed by the Longstop Date;

**15.1.2** this Scheme becomes incapable of being implemented and the Restructuring Effective Date is incapable of occurring before the Longstop Date (as may be modified in accordance with Clauses 16.1 to 16.3 (*Modification of this Scheme*)) as a result of the occurrence of any of the events set out below:

- (i) an Insolvency Event;

- (ii) a change in law or regulation in respect of any matter, including any change which results in there being no reasonable prospects of the Company and/or Add Hero successfully registering and/or filing an application in respect of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB, the Aoyuan Perpetuals and the New Shares with the NDRC and/or CSRC (as applicable), occurs;
- (iii) the ordinary shares of the Company or Healthy Life are suspended from trading on the HKEX for more than seven days;
- (iv) any Key Entity and/or Key Person becomes the subject of an investigation or criminal proceedings commenced or conducted by a regulatory or governmental body;
- (v) any Key Entity ceases, suspends, or threatens to cease or suspend the conduct of all or substantially all of its business or disposes of or threatens to dispose of substantially all of its assets;
- (vi) any consent, approval or authorisation necessary for the effectuation of the Scheme has been rejected in writing (or otherwise refused or denied), and there are no reasonable prospects of such consent, approval or authorisation being obtained, or the Company is unable to comply with conditions necessary to obtain such consent, approval or authorisation, including rejection in writing by the NDRC of the Company's application for registration of the Aoyuan New Securities (as applicable);
- (vii) the Company's ability to conduct its business is limited or wholly curtailed as a result of any seizure, expropriation or nationalisation of its assets by any regulatory or governmental authority; or
- (viii) the Add Hero Schemes are terminated in accordance with their terms;

**15.1.3** the Company breaches any material term of this Scheme and fails to remedy this for a period of 30 days; or

**15.1.4** the Company determines or forms the belief (in its sole discretion, acting reasonably and in good faith) that this Scheme is no longer capable of being implemented,

then this Scheme shall terminate and shall be construed as if it had never become effective, and the rights and obligations of the Scheme Creditors under the Existing Debt Finance Documents shall not be affected and shall remain in full force and effect, and each Scheme Creditor shall be entitled to exercise any and all of its rights, powers and remedies against the Company under the terms and conditions of the Existing Debt Finance Documents and the Restructuring Support Agreement.

**15.2** Upon the termination of this Scheme, to the extent permitted by applicable law, all Restructuring Steps will not or will be deemed not to have occurred and any actions taken under or pursuant to Clause 4 (*Effect of the Scheme*) shall have no valid or binding effect. To the extent permitted by applicable law, all relevant parties agree to take such steps as are necessary and/or desirable to reverse any such steps that have already occurred in order to restore the parties to the position they were in before the steps occurred, provided that no party shall be required to incur any out-of-pocket costs or expenses.

**15.3** Notwithstanding any other provision of this Scheme, the rights (and obligations) of the Scheme Parties under Clause 13 (*Exclusion of liability and indemnity*), this Clause 15,

Clause 17 (*Costs and expenses*), Clause 18 (*Notices*), Clause 19 (*Third parties*) and Clause 20 (*Governing law and jurisdiction*) shall survive termination of this Scheme.

## **16 Other provisions applicable to this Scheme**

### **Modification of this Scheme**

- 16.1** The Company may at any time before the occurrence of the earlier of the Restructuring Effective Date, the Longstop Date or the termination of this Scheme, amend the Longstop Date (whether pursuant to a single extension or multiple extensions) (each extension being a "**Longstop Date Extension**"), provided that:

- 16.1.1** the Majority Scheme Creditors vote in favour of such Longstop Date Extension, whether in person or by proxy, at a meeting of the Scheme Creditors or otherwise; and
- 16.1.2** the Company gives the Scheme Creditors no less than 14 calendar days' prior written notice of such meeting in accordance with Clause 18 (*Notices*).

If any Scheme Creditor fails to respond to a request made in accordance with this Clause 16.1 for an extension to the Longstop Date at a meeting of the Scheme Creditors or otherwise, then, for the purpose of determining if the Majority Scheme Creditors have consented to an extension to the Longstop Date, then such Scheme Creditor's Existing Debt shall not be included for the purpose of calculating the value of the aggregate principal amount of the Scheme Claims held by the Scheme Creditors.

- 16.2** On the identification of a Sanctioned Scheme Creditor, including where a Scheme Creditor becomes a Sanctioned Scheme Creditor while this Scheme is in effect:

- 16.2.1** the Company may modify this Scheme and/or any Restructuring Document to the extent reasonably necessary and in a manner to ensure that the Scheme is not contrary to any Applicable Sanctions (and is authorised to instruct the Existing Debt Administrative Parties (in the sole opinion of the relevant Existing Debt Administrative Party) and any other administrative party as required, in order to achieve the same); and
- 16.2.2** each of the Aoyuan New Securities Administrative Parties and any other administrative party as required, is authorised to make any amendment to the Aoyuan New Securities Documents and take any action necessary or desirable to give effect to a modification to such Aoyuan New Securities Documents on and following written notice from the Company that such modification is reasonably necessary to ensure that the Scheme is not contrary to the Applicable Sanctions, which the Aoyuan New Securities Administrative Parties and any other administrative party as required are entitled to rely on conclusively.

- 16.3** Each Scheme Creditor acknowledges that the Company may have, before or at any hearing of the HK Court to sanction this Scheme, consented on behalf of all Scheme Creditors to any modification of, or addition to, the proposed Scheme (at Appendix 2 of the Explanatory Statement), any Restructuring Document or to any terms or conditions that the HK Court saw fit to approve or impose, provided that such modifications or additions were otherwise necessary for the purpose of implementing the Restructuring, and could not have reasonably

been expected to, directly or indirectly, have a material adverse effect on the interests of any Scheme Creditor under this Scheme.

#### **16.4 Waiver of provisions of this Scheme**

No waiver proposed by the Company and/or any Scheme Creditor (including any waiver of any Restructuring Condition) shall be permitted under this Scheme, save with: (i) the consent in writing of the Majority Scheme Creditors; and (ii) where the beneficiary of any clause being waived is not the Scheme Creditors, the consent in writing of that person or entity.

#### **16.5 Foreign representative**

Guo Zi Wen, a director of the Company, or such other board member or representative of the Company as the Company may deem appropriate (in its sole discretion) shall be authorised to act as the representative of the Company on and in connection with any application for recognition and assistance in relation to this Scheme in any jurisdiction and under whatever law.

#### **16.6 Application to the HK Court for directions**

Without prejudice to any rights that the Company may otherwise have in connection with this Scheme or any aspect of it and notwithstanding any other provision of this Scheme, the Company shall be entitled to make an application to the HK Court for directions at any time in connection with any matter arising under or in relation to this Scheme.

#### **16.7 Exercise of discretion**

Where, under or pursuant to any provision of this Scheme, a matter is to be determined by the Scheme Administrators or Chairperson (each on the Company's behalf), as the case may be, it shall be determined by them in their discretion in such manner as they may consider fair and reasonable. If any difficulty shall arise in determining any such matter either generally or in any particular case or in ensuring the result described above, it shall be resolved by the Scheme Administrators or Chairperson (each on the Company's behalf), as the case may be, in such manner as is fair and reasonable and their decision shall, insofar as permitted by law and subject to the provisions of this Scheme, be final and binding on all concerned.

#### **16.8 Performance of obligations on dates other than a Business Day**

If any obligation is to be performed under the terms of this Scheme on a date other than a Business Day and is not capable of being performed on such date, the relevant obligation shall be performed on the next Business Day.

#### **16.9 Delegation**

**16.9.1** The Company may perform its rights, powers, duties, discretions and/or obligations through such one or more authorised signatories, acting jointly or severally, as it may appoint from time to time.

**16.9.2** The Company may also delegate its rights, powers, duties, discretions and/or obligations (including the execution and delivery of any document or instrument) to any person it deems appropriate, in its sole discretion.

#### **16.10 Scheme subject to provisions of mandatory law**

This Scheme shall take effect subject to any prohibition or condition imposed by law.

## **17 Costs and expenses**

The Company agrees to be responsible for and shall pay all fees, costs and expenses properly incurred by the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson and the Advisers, in connection with any and/or all actions taken or which shall be taken pursuant to this Scheme, including (without limitation) any and/or all actions taken or which shall be taken pursuant to the Restructuring Steps and the distribution of the Scheme Consideration Entitlements (provided that, with respect to each party, the relevant fees, costs and expenses have been incurred in accordance with the Existing Debt Finance Documents or such other arrangement as may have been agreed between the Company and that party).

## **18 Notices**

**18.1** Any notice or other written communication to be given under or in relation to this Scheme shall be given in the English language in writing and shall be deemed to have been duly given if it is: (i) delivered by hand; (ii) sent by email (or other electronic means in the case of a Clearing System); (iii) posted on the Transaction Website; (iv) sent by fax; (v) sent by pre-paid recorded delivery or international courier to the address or email address as set out below (or as may be notified by notice to the Scheme Creditors from time to time); or (vi) in relation to any notice to be given to the Scheme Creditors that are Existing Noteholders only, through a corporate action notice through the Clearing Systems and the Existing Public Notes Trustee.

**18.2** The addresses for notices are as follows:

**18.2.1** in the case of the Company, to Linklaters at the email address: [dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com);

**18.2.2** in the case of a Scheme Creditor, to its last known address or email address according to the Company, provided that all deliveries of notices required to be made by this Scheme shall be effective by sending via email or posting the same in pre-paid envelopes addressed to the Scheme Creditors or, if so directed by the Scheme Creditors, to the relevant Account Holder for the persons respectively entitled thereto at the addresses appearing in the relevant Account Holder Letter, Lender Proxy Form, Blocked Scheme Creditor Form or to such other addresses (if any) as such persons may respectively direct in writing; and

**18.2.3** in the case of any other person, to any address or email address set forth for that person in any agreement entered into in connection with this Scheme or the last known address according to the Company or by fax to its last known fax number according to the Company.

**18.3** Any notice or other written communication to be given under this Scheme shall be deemed to have been served:

**18.3.1** at the time of delivery if delivered personally;

**18.3.2** at the time of transmission if sent by email;

**18.3.3** on the first Business Day after transmission if sent through the Clearing Systems;

- 18.3.4** two Business Days after the time and date of posting if sent by pre-paid recorded delivery, or five Business Days after the time and date of posting if the recipient is not in the country of despatch by pre-paid recorded delivery;
  - 18.3.5** five Business Days after the time and date of posting if sent by international courier; or
  - 18.3.6** when the recipient received (or is deemed to have received) the notice or other written communication through access of the Transaction Website.
- 18.4** The accidental omission to send any notice, written communication or other document in accordance with Clauses 18.1 to 18.3, or the non-receipt of any such notice by any Scheme Creditor, shall not affect the provisions of this Scheme.
- 18.5** The Company shall not be responsible for any loss or delay in the transmission of any notices, other documents or payments posted by or to any Scheme Creditor which shall be posted at the risk of the Scheme Creditors.
- 18.6** For the avoidance of doubt, this Clause 18 shall not apply to the documents set out in the Solicitation Packet and the Holding Period Trust Deed, which should be completed and submitted in accordance with the instructions set out therein.

## **19 Third parties**

- 19.1** Subject to Clause 19.2, a person who is not a party to this Scheme has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623) to enforce any of its terms.
- 19.2** The Protected Parties may enforce this Scheme in accordance with the Contracts (Rights of Third Parties) Ordinance (Cap. 623).
- 19.3** Notwithstanding any term of the Scheme, the consent of any person who is not a party is not required to rescind or vary this Scheme at any time.

## **20 Governing law and jurisdiction**

This Scheme and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of Hong Kong and each of the Scheme Creditors hereby agrees that the HK Court shall have exclusive jurisdiction to hear and determine any suit, action or Proceeding and to settle any dispute which may arise out of the Explanatory Statement or any provision of this Scheme, or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme, and, for such purposes, each of the Scheme Creditors irrevocably submits to the jurisdiction of the HK Court, provided, however, that nothing in this Clause 20 shall affect the validity of other provisions regarding governing law and jurisdiction as between the Company and any of the Scheme Creditors, whether contained in any contract (including any Restructuring Document) or otherwise.



## Schedule 1 Definitions and interpretation

### Part A Definitions

Unless the context requires otherwise or a specific provision otherwise expressly provides to the contrary, capitalised terms in this Scheme shall have the meanings given to them below:

**"Accession Code"** means a unique code provided by the Information Agent to a Consenting Creditor following its valid accession to or valid execution of the Restructuring Support Agreement, and which must be included by (i) the relevant Account Holder on such Consenting Creditor's Account Holder Letter; and/or (ii) the Consenting Creditor on its Lender Proxy Form;

**"Account Holder"** means a person who holds a Book-Entry Interest;

**"Account Holder Letter"** means a letter from an Account Holder on behalf of the relevant Scheme Creditor substantially in the form of, as the context requires:

- (a) in respect of the Existing Public Notes, the account holder letter set out in Schedule 1 (*Account Holder Letter (Existing Public Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Private Notes, the account holder letter set out in Schedule 2 (*Account Holder Letter (Existing Private Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Public Notes, the holding period account holder letter set out in Schedule 3 (*Holding Period Account Holder Letter (Existing Public Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time; or
- (d) in respect of the Existing Private Notes, the holding period account holder letter set out in Schedule 4 (*Holding Period Account Holder Letter (Existing Private Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time,

including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal, provided, in each case, that the Scheme Administrators (in consultation with the Information Agent and acting on behalf of the Company) shall have discretion to accept a purported Account Holder Letter (which contains substantially the information required in respect of such Account Holder Letter) even if such letter deviates from the aforementioned forms;

**"Add Hero"** means Add Hero Holdings Limited;

**"Add Hero BVI Scheme"** means the scheme of arrangement to be effected between Add Hero and certain of its creditors pursuant to section 179A of the Business Companies Act, 2004 of the BVI for the purposes of implementing the Restructuring, substantially in the form attached at Appendix 3 to the Add Hero Explanatory Statement, subject to any modification, addition or condition which the BVI Court may think fit to approve or impose, as appropriate;

**"Add Hero BVI Scheme Sanction Order"** means the sealed copy of the sanction order granted by the BVI Court in respect of the Add Hero BVI Scheme;

**"Add Hero Explanatory Statement"** means the composite document dated 7 November 2023 issued by Add Hero and addressed to certain of its creditors, containing, among other things, the explanatory statement of Add Hero in relation to its proposed schemes of arrangement under section 179A of the Business Companies Act, 2004 of the BVI and Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purpose of implementing the Restructuring, and the terms of such schemes of arrangement (including all appendices, schedules and annexures thereto);

**"Add Hero HK Scheme"** means the scheme of arrangement to be effected between Add Hero and certain of its creditors pursuant to Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purposes of implementing the Restructuring, substantially in the form attached at Appendix 2 to the Add Hero Explanatory Statement subject to, any modification, addition or condition which the HK Court may think fit to approve or impose, as appropriate;

**"Add Hero HK Scheme Sanction Order"** means the sealed copy of the sanction order granted by the HK Court in respect of the Add Hero HK Scheme;

**"Add Hero Notes"** means the new secured notes in the aggregate principal amount of USD1,800,000,000 to be issued by Add Hero as scheme consideration in the Add Hero HK Scheme and the Add Hero BVI Scheme;

**"Add Hero Scheme Effective Date"** means the later of:

- (a) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and
- (b) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme;

**"Add Hero Schemes"** means, collectively, the Add Hero HK Scheme and the Add Hero BVI Scheme;

**"Additional Consenting Creditors"** means an Existing Noteholder and/or an Existing Lender, who has agreed to be bound by the terms of the Restructuring Support Agreement as a Consenting Creditor in accordance with the terms of the Restructuring Support Agreement;

**"Ad Hoc Group"** means the ad hoc group of holders of the Existing Public Notes or the investment managers or investment advisers to such holders, who are Initial Consenting Creditors (as defined therein) under the Restructuring Support Agreement, as constituted from time to time and notified to the Company;

**"Adjudicator"** means the person appointed by the Company pursuant to Clause 10 (*Adjudicator*) of this Scheme;

**"Adjudicator Decision"** means the written decision of the Adjudicator setting out his or her decision on a Disputed Scheme Claim, which shall be final and binding on the relevant Scheme Creditor, the Scheme Administrators and the Company, insofar as the law allows, and there shall be no right of challenge or appeal from the decision of the Adjudicator;

**"Advisers"** means (as applicable):

- (a) KPMG Advisory (China) Limited and its Affiliates, as financial adviser to the Company;
- (b) Linklaters, Harney Westwood & Riegels, LP, ETR Law Firm and each of their Affiliates, in each case, as legal advisers to the Company;
- (c) Moelis & Company Asia Limited and its Affiliates, as financial advisers to the Ad Hoc Group;

- (d) Weil, Gotshal & Manges and its Affiliates, as legal advisers to the Ad Hoc Group;
- (e) PricewaterhouseCoopers Limited and its Affiliates, as financial advisers to the CoCom;
- (f) Allen & Overy and its Affiliates, as legal advisers to the CoCom;
- (g) Allen & Overy and its Affiliates, as legal advisers to the Existing Public Notes Administrative Parties; and
- (h) any successor professional advisers to the foregoing, the foregoing's partners, employees and affiliated partnerships and undertakings and the partners and employees of such affiliated partnerships and undertakings and their respective Subsidiaries and holding companies and any local counsel engaged;

**"Affiliate"** means: (a) in respect of any person, its current employer; and (b) in respect of any person or entity, its current and former Subsidiaries, parent companies, holding companies, partners, principals, limited partners, managers, investment advisers, equity holders, members, managing members, directors, officers, employees, associates or analysts, and any of their respective current or former Subsidiaries, parent companies, holding companies, partners, principals, limited partners, managers, investment advisers, equity holders, members, managing members, directors, officers, employees, associates or analysts;

**"Allowed Proceeding"** means: (a) any Proceeding by a Scheme Creditor to enforce its rights under or in connection with this Scheme and/or compel the Company or any other person to perform its obligations under this Scheme; and (b) any Proceeding by a Scheme Creditor pursuant to or in connection with any Excluded Claim;

**"Aoyuan MCB"** means the new zero coupon mandatory convertible bonds due 2028 in the principal amount of USD143,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan MCB Trust Deed and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Agency Agreement"** means the paying, conversion and transfer agency agreement to be entered into between, among others, the Company, the Aoyuan MCB Principal Conversion and Transfer Agent, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar and the Aoyuan MCB Trustee, in substantially the form attached at Appendix 12A (*Form of Aoyuan MCB Agency Agreement*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Calculation Agent"** means Conv-Ex Advisors Limited in its capacity as "Calculation Agent" under the Aoyuan MCB Calculation Agency Agreement, including any of its successors;

**"Aoyuan MCB Calculation Agency Agreement"** means the calculation agency agreement to be entered into between the Company and the Aoyuan MCB Calculation Agent, relating to the Aoyuan MCB;

**"Aoyuan MCB Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems;

**"Aoyuan MCB Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan MCB issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to

the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan MCB Global Certificates"** means the global certificate(s) in respect of the Aoyuan MCB in substantially the form set out in Part A of Schedule 1 (*Form of Global Certificates*) to the Aoyuan MCB Trust Deed and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Principal Conversion and Transfer Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Conversion and Transfer Agent" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Principal Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Paying Agent" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Registrar"** means Madison Pacific Trust Limited in its capacity as "Registrar" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Trust Deed"** means the trust deed to be entered into between, among others, the Company and the Aoyuan MCB Trustee pursuant to which the Aoyuan MCB are to be issued, in substantially the form attached at Appendix 12 (*Form of Aoyuan MCB Trust Deed*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Trustee"** means Madison Pacific Trust Limited in its capacity as "Trustee" under the Aoyuan MCB Trust Deed, including any of its successors;

**"Aoyuan New Notes"** means the new 5.5% secured notes due 2031 in the principal amount of USD500,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Collateral Agency Agreement"** means the collateral agency agreement to be entered into between, among others, the Company, the Aoyuan New Notes Trustee, the Aoyuan New Notes Collateral Agent and Main Trend Limited on the Restructuring Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Collateral Agent"** means the Madison Pacific Trust Limited in its capacity as "Collateral Agent" under the Aoyuan New Notes Collateral Agency Agreement, including any of its successors;

**"Aoyuan New Notes Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems, acting through its nominee as registered holder of each of the Aoyuan New Notes;

**"Aoyuan New Notes Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan New Notes issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan New Notes Global Notes"** means the global note(s) in respect of the Aoyuan New Notes in substantially the form set out in Exhibit B (*Form of Global Note*) to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Indenture"** means the indenture to be entered into between, among others, the Company and the Aoyuan New Notes Trustee pursuant to which the Aoyuan New Notes are to be issued, in substantially the form attached at Appendix 11 (*Form of Aoyuan New Notes Indenture*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Obligors"** means the Company and Main Trend Limited;

**"Aoyuan New Notes Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Paying Agent" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Notes Paying Agent and Registrar Appointment Letter"** means the paying agent and registrar appointment letter to be entered into between, among others, the Company, the Aoyuan New Notes Paying Agent, the Aoyuan New Notes Registrar and the Aoyuan New Notes Trustee, set out in Exhibit D (*Form of Paying Agent and Registrar Appointment Letter*) to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Registrar"** means Madison Pacific Trust Limited in its capacity as "Registrar" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Notes (Scheme Consideration)"** means USD400,000,000 in principal amount of the Aoyuan New Notes;

**"Aoyuan New Notes Security Document"** means:

- (a) the Hong Kong law governed security agreement entered or to be entered into by Main Trend Limited as chargor in favour of the Aoyuan New Notes Collateral Agent in respect of certain shares in Aoyuan Healthy Life Group Company Limited and (if applicable) the custodian account(s) in which such shares are held; and
- (b) the Hong Kong law governed assignment of an intercompany loan made by Main Trend Limited to China Aoyuan Group Limited entered or to be entered into by Main Trend Limited in favour of the Aoyuan New Notes Collateral Agent,

each of which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Trustee"** means Madison Pacific Trust Limited in its capacity as "Trustee" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Securities"** means, collectively, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals;

**"Aoyuan New Securities Administrative Parties"** means:

- (a) in respect of the Aoyuan New Notes, the Aoyuan New Notes Collateral Agent, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan New Notes Paying Agent and the Aoyuan New Notes Registrar;
- (b) in respect of the Aoyuan MCB, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar, the Aoyuan MCB Principal Conversion and Transfer Agent and the Aoyuan MCB Calculation Agent; and

- (c) in respect of the Aoyuan Perpetuals, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, the Aoyuan Perpetuals Principal Paying Agent and the Aoyuan Perpetuals Registrar and Transfer Agent;

**"Aoyuan New Securities Documents"** means:

- (a) in respect of the Aoyuan New Notes, the Aoyuan New Notes Indenture, the Aoyuan New Notes Global Notes, the Aoyuan New Notes Paying Agent and Registrar Appointment Letter, the Aoyuan New Notes Collateral Agency Agreement and the Aoyuan New Notes Security Document;
- (b) in respect of the Aoyuan MCB, the Aoyuan MCB Trust Deed, the Aoyuan MCB Global Certificates, the Aoyuan MCB Agency Agreement and the Aoyuan MCB Calculation Agency Agreement;
- (c) in respect of the Aoyuan Perpetuals, the Aoyuan Perpetuals Fiscal Agency Agreement, the Aoyuan Perpetuals Deed of Covenant and the Aoyuan Perpetuals Global Certificates; and

in each case, any notices, acknowledgements and other deliverables that are referred to in, or would be customary or incidental in connection with, any of the aforesaid documents;

**"Aoyuan New Securities Entitlement"** means, in relation to a Scheme Creditor, its Aoyuan New Notes Entitlement, its Aoyuan MCB Entitlement and its Aoyuan Perpetuals Entitlement;

**"Aoyuan Perpetuals"** means the new perpetual capital securities in the principal amount of USD1,600,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan Perpetuals Fiscal Agency Agreement and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems, acting through its nominee as registered holder of each of the Aoyuan Perpetuals;

**"Aoyuan Perpetuals Deed of Covenant"** means the deed of covenant to be executed by the Company relating to the Aoyuan Perpetuals;

**"Aoyuan Perpetuals Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan Perpetuals issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan Perpetuals Fiscal Agency Agreement"** means the fiscal agency agreement to be entered into between, among others, the Company and the Aoyuan Perpetuals Fiscal Agent pursuant to which the Aoyuan Perpetuals are to be issued, in substantially the form attached at Appendix 13 (*Form of Aoyuan Perpetuals Fiscal Agency Agreement*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Fiscal Agent"** means Madison Pacific Trust Limited in its capacity as "Fiscal Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Perpetuals Global Certificate"** means the global certificate(s) in respect of the Aoyuan Perpetuals in substantially the form set out in Part A of Schedule 1 (*Form of Global Certificates*) to the Aoyuan Perpetuals Fiscal Agency Agreement and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Principal Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Paying Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Perpetuals Registrar and Transfer Agent"** means Madison Pacific Trust Limited in its capacity as "Registrar" and "Transfer Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Shares"** means the ordinary shares in the Company that are listed on the HKEX;

**"Applicable Sanctions"** means laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));

**"Applicable Sanctions List"** means each of:

- (a) the lists of Specially Designated Nationals and Blocked Persons or "Foreign Sanctions Evaders" or any other list of Persons subject to, or targeted by, similar sanctions as administered, maintained and/or enforced by the Office of Foreign Assets Control of the U.S. Treasury, the U.S. Department of Commerce, the U.S. Department of State and any other Governmental Entity of the United States;
- (b) the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions maintained by the European Commission, Annex XIX of Regulation (EU) No 833/2014, or any other list of Persons subject to, or targeted by, similar sanctions as administered, maintained and/or enforced by the European Union or any Governmental Entity in any Member State of the European Union;
- (c) the Consolidated List of Financial Sanctions Targets in the United Kingdom maintained by the Office of Financial Sanctions Implementation, His Majesty's Treasury of the United Kingdom, the United Kingdom Sanctions List maintained by the Foreign, Commonwealth and Development Office, or any other list of Persons subject to, or targeted by, similar sanctions administered, maintained and/or enforced by any Governmental Entity of the United Kingdom or the Cayman Islands; or
- (d) any other similar sanctions list of persons and entities subject to a prohibition to transact with, that is developed, maintained or published by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories in connection with Applicable Sanctions, in each case as amended, supplemented or substituted from time to time,

and **"Applicable Sanctions Lists"** includes, collectively, paragraphs (a), (b), (c) and (d) of this definition;

**"Bar Time"** means 5 p.m. Hong Kong time, the equivalent time being 4 a.m. (Cayman Islands time), on the date falling 15 Business Days before the Holding Period Expiry Date;

**"Blocked Aoyuan MCB Entitlement"** means the Aoyuan MCB Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Aoyuan New Notes Entitlement"** means the Aoyuan New Notes Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Aoyuan New Securities Entitlement"** means, in relation to a Blocked Scheme Creditor, its Blocked Aoyuan New Notes Entitlement, its Blocked Aoyuan MCB Entitlement and its Blocked Aoyuan Perpetuals Entitlement;

**"Blocked Aoyuan Perpetuals Entitlement"** means the Aoyuan Perpetuals Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked New Shares Entitlement"** means the New Shares Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Scheme Consideration Entitlement"** means, in relation to a Blocked Scheme Creditor, its Blocked Aoyuan New Securities Entitlement, its Blocked New Shares Entitlement and its Blocked Transfer Shares Entitlement;

**"Blocked Scheme Creditor"** means a Scheme Creditor (other than a Sanctioned Scheme Creditor) that is not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian as reasonably determined by the Clearing Systems, and which does not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in its Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems;

**"Blocked Scheme Creditor Form"** means a form from a Blocked Scheme Creditor substantially in the form of, as the context requires:

- (a) in respect of the Existing Public Notes, the blocked scheme creditor form set out in Schedule 5 (*Blocked Scheme Creditor Form (Existing Public Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Private Notes, the blocked scheme creditor form set out in Schedule 6 (*Blocked Scheme Creditor Form (Existing Private Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Public Notes, the holding period blocked scheme creditor form set out in Schedule 7 (*Holding Period Blocked Scheme Creditor Form (Existing Public Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time; or



- (d) in respect of the Existing Private Notes, the holding period blocked scheme creditor form set out in Schedule 8 (*Holding Period Blocked Scheme Creditor Form (Existing Private Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time,

provided, in each case, that the Blocked Scheme Creditor Tabulation Agent shall have discretion to accept a purported Blocked Scheme Creditor Form (which contains substantially the information required in respect of such Blocked Scheme Creditor Form) even if such form deviates from the aforementioned forms;

**"Blocked Scheme Creditor (Participating)"** means a Blocked Scheme Creditor who has submitted a validly completed Blocked Scheme Creditor Form (and such other information as required by the Blocked Scheme Creditor Tabulation Agent to be submitted as set out in the Solicitation Packet) to the Blocked Scheme Creditor Tabulation Agent by no later than the Voting Instruction Deadline;

**"Blocked Scheme Creditor (Residual)"** means a Blocked Scheme Creditor who has submitted a validly completed Blocked Scheme Creditor Form (and such other information as required by the Blocked Scheme Creditor Tabulation Agent to be submitted as set out in the Holding Period Trust Deed) to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline but by no later than the Bar Time;

**"Blocked Scheme Creditor Tabulation Agent"** means Madison Pacific Corporate Services Ltd, in its capacity as tabulation agent in respect of the Blocked Scheme Creditors Form(s) in connection with this Scheme;

**"Blocked Transfer Shares Entitlement"** means the Transfer Shares Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocking Regulation"** means the Council of the European Union Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom;

**"Book-Entry Interest"** means, in relation to the Existing Notes, a beneficial interest in the Existing Notes Global Notes held through and shown on, and transferred only through, records maintained in book-entry form by the Clearing Systems and their respective nominees and successors, acting through themselves or the Existing Notes Common Depositary;

**"Business Day"** means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, in London, in Hong Kong, in Singapore, in the PRC, in the BVI or in the Cayman Islands are authorised or required, by law or governmental regulation, to close;

**"BVI"** means the British Virgin Islands;

**"BVI Companies Act"** means the BVI Business Companies Act, 2004, as amended, modified or re-enacted from time to time;

**"BVI Court"** means the BVI High Court of Justice of the Eastern Caribbean Supreme Court and any court capable of hearing appeals therefrom;

**"BVI Registrar of Corporate Affairs"** means the registrar of corporate affairs (including any deputy registrar and/or assistant registrar or similar) appointed under the BVI Companies Act;

**"Cash Consideration"** means the cash consideration to be paid to scheme creditors pursuant to the Add Hero Schemes on the Restructuring Effective Date;

**"Cayman Companies Act"** means the Cayman Islands Companies Act (2023 Revision), as amended, modified or re-enacted from time to time;

**"Cayman Court"** means the Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom;

**"Cayman Registrar of Companies"** means the Registrar of Companies (including any Deputy Registrar of Companies and/or assistant registrar or similar) appointed under the Cayman Companies Act;

**"Chairperson"** means the chairperson of the Scheme Meeting;

**"China Aoyuan Cayman Scheme"** means the scheme of arrangement to be effected between the Company and certain of its creditors pursuant to section 86 of the Cayman Companies Act for the purposes of implementing the Restructuring in substantially the same form as this Scheme;

**"China Aoyuan Cayman Scheme Sanction Order"** means the sealed copy of the sanction order granted by the Cayman Court in respect of a scheme of arrangement between the Company and the Scheme Creditors pursuant to section 86 of the Cayman Companies Act in respect of the China Aoyuan Cayman Scheme;

**"China Aoyuan Group"** means China Aoyuan and all of its Subsidiaries;

**"China Aoyuan Offshore Group"** means China Aoyuan and its Subsidiaries incorporated outside the PRC;

**"China Aoyuan Onshore Group"** means the Subsidiaries of China Aoyuan incorporated inside the PRC;

**"China Aoyuan Scheme Excluded Liabilities"** means all Liabilities due, owing or incurred from time to time by:

- (a) Existing Public Notes Guarantors to the Scheme Creditors under or in connection with the Existing Public Notes and/or the Existing Public Notes Finance Documents;
- (b) Existing Syndicated Facilities Guarantors to the Scheme Creditors under or in connection with the Existing Syndicated Facilities and/or the Existing Syndicated Facilities Finance Documents;
- (c) USD100m Noble Prestige Facility Guarantors to the Scheme Creditors under or in connection with the USD100m Noble Prestige Facility, the USD100m Noble Prestige Facility Finance Documents and/or the Noble Prestige Arbitration Award;
- (d) Existing Onshore Facilities Obligors to the Scheme Creditors under or in connection with the Existing Onshore Facilities and/or the Existing Onshore Facilities Finance Documents;
- (e) China Aoyuan to the Scheme Creditors under or in connection with the HKD329m Hang Seng Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by Hang Seng Bank (China) Limited in favour of Hang Seng Bank Limited in connection with the HKD329m Hang Seng Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;

- (f) China Aoyuan to the Scheme Creditors under or in connection with the HKD740m Bank of East Asia Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by The Bank of East Asia (China) Limited, Guangzhou Branch in favour of The Bank of East Asia, Limited in connection with the HKD740m Bank of East Asia Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (g) China Aoyuan to the Scheme Creditors under or in connection with the USD70m CMB Wing Lung Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by CBM Wing Lung Bank Limited, Guangzhou Branch in favour of CMB Wing Lung Bank Limited in connection with the USD70m CMB Wing Lung Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (h) China Aoyuan to the Scheme Creditors under or in connection with the HKD367m Hang Seng Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by Hang Seng Bank (China) Limited in favour of Hang Seng Bank Limited in connection with the HKD367m Hang Seng Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (i) Power Linkage Limited to the Scheme Creditors under or in connection with the USD100m Power Linkage Bonds and/or the USD100m Power Linkage Bonds Finance Documents;
- (j) Power Linkage Limited to the Scheme Creditors under or in connection with the USD250m Power Linkage Bonds and/or the USD250m Power Linkage Bonds Finance Documents;
- (k) Luck Gain Limited to the Scheme Creditors under or in connection with the USD200m Luck Gain Bonds and/or the USD200m Luck Gain Bonds Finance Documents;
- (l) Multi-Prospect Limited to the Scheme Creditors under or in connection with the USD100m Multi-Prospect Bonds and/or the USD100m Multi-Prospect Bonds Finance Documents;
- (m) Flair Honour Limited (賦耀有限公司), Million Obtain Limited (萬獲有限公司), Aoyuan Property (Hong Kong) Limited (奧園地產(香港)有限公司), Sinoteam Investment Limited (德添投資有限公司), 奧園集團有限公司, 奧園(深圳)城市更新集團有限公司, 深圳喆佑投資合夥企業(有限合夥) and 主力實業(深圳)有限公司, in each case, under or in connection with the HKD676m Lofty Time Facility and/or the HKD676m Lofty Time Facility Finance Documents;
- (n) King World Holdings Limited to the Scheme Creditors under or in connection with the USD120m King World Facility and/or the USD120m King World Facility Finance Documents;
- (o) King World Holdings Limited to the Scheme Creditors under or in connection with the USD150m King World Facility and/or the USD150m King World Facility Finance Documents;
- (p) Luck Gain Limited to the Scheme Creditors under or in connection with the HKD780m Tai Fung Bank Facility and/or the HKD780m Tai Fung Bank Facility Finance Documents;
- (q) Speedy Capital to the Scheme Creditors under or in connection with the HKD Equivalent of US\$100m Tai Fung Bank Facility and/or the HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents; and
- (r) China Aoyuan to the Scheme Creditors under or in connection with the HKD Equivalent of US\$100m Tai Fung Bank Facility, up to the amount deposited in the following HKD accounts

in the name of China Aoyuan with Tai Fung Bank Limited: (i) account number: 101-1-14311-9; (ii) account number: 101-2-75358-1; and (iii) account number: 601-6-25555-6, which are subject to account charges granted in favour of Tai Fung Bank Limited as set out in the charge over account agreement dated 23 December 2022 entered into by China Aoyuan (as chargor) and Tai Fung Bank Limited (as lender),

in each case, whether actually or contingently and whether as principal, surety or otherwise;

**"China Aoyuan Schemes"** means, collectively, this Scheme and the China Aoyuan HK Scheme;

**"Clearing Systems"** means either or both of Euroclear Bank SA/NV and Clearstream Banking S.A. and each of their respective nominees and successors, and any other system designed for similar or analogous purposes, as appropriate;

**"CoCom"** means a steering committee of lenders holding the Existing Syndicated Facilities that are advised by Allen & Overy and PricewaterhouseCoopers Limited, as constituted from time to time and notified to the Company;

**"Company"** has the meaning given to it in the "parties" clause;

**"Consenting Creditors"** means the Initial Consenting Creditors and any Additional Consenting Creditors;

**"CSRC"** means the China Securities Regulatory Commission (中国证券监督管理委员会);

**"Custody Instruction"** means an instruction to the relevant Clearing System to block the Existing Notes Debt from trading in the relevant Clearing System;

**"Deed of Subordination"** means the Hong Kong law deed of subordination entered into by certain members of the China Aoyuan Offshore Group on or around the Restructuring Effective Date;

**"Deed of Subordination Parties"** means each "Party" as defined in the Deed of Subordination;

**"Deeds of Release"** means, collectively:

- (a) the Hong Kong law deed of release in respect of the the Existing Syndicated Facilities, Existing Private Notes, Existing Bilateral Facilities (SBLC), Existing Other Offshore Financings, USD100m Noble Prestige Facility, HKD676m Lofty Time Facility, HKD780m Tai Fung Bank Facility, HKD Equivalent of US\$100m Tai Fung Bank Facility and certain Existing Onshore Facilities in substantially the form attached at Part A of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (b) the English law deed of release in respect of the USD120m King World Facility and USD150m King World Facility in substantially the form attached at Part B of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (c) the PRC law deed of release in respect of the Existing Onshore Facilities in substantially the form attached at Part C of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (d) the BVI law deed of release in respect of the share security granted by the Company over its shareholding in Add Hero in substantially the form attached at Part D of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (e) the New York law deed of release in respect of the Existing Public Notes in substantially the form attached at Part E of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement; and

- (f) the Hong Kong law deed of release in respect certain security interests granted in connection with the USD200m Happy Team Facility in substantially the form attached at Part F of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement,

in each case, with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Designated Recipient"** means a person designated by a Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) in a validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form and such other information as is required by the Information Agent to be submitted as set out in the Solicitation Packet) as the recipient of any of its Scheme Consideration Entitlement pursuant to the terms of this Scheme and subject to all applicable securities laws and, provided, always, that, a person shall only be a Designated Recipient if it is an Eligible Person and it holds an account with the same Account Holder as its designated Scheme Creditor, and agrees to receive the relevant Scheme Consideration Entitlement into the same account;

**"Designated Recipient Form"** means the document that is substantially in the form set out at Appendix 1 to the Account Holder Letter or Appendix 1 to the Lender Proxy Form (as applicable) and available on the Scheme Portal;

**"Director"** means any person who is, or was, or is deemed to be, at any time a director, manager or officer (or equivalent) of any company in the China Aoyuan Group immediately prior to the Restructuring Effective Date, including, for the avoidance of doubt, the Company and each of the other Existing Debt Obligors, in their capacity as such;

**"Disputed Scheme Claim"** has the meaning given to it in Clause 6.3 (*Determination of Scheme Claims*);

**"Disputed Scheme Claim Notice"** means a written notice from a Scheme Creditor to the Scheme Administrators setting out: (i) the amount of its Scheme Claims as at the Reference Date; (ii) reasons for disputing the amounts of Scheme Claim in the Scheme Claim Determination Notice; and (iii) relevant supporting evidence;

**"Disputed Scheme Claim Resolution Period"** means seven calendar days commencing on the date of receipt of a completed Disputed Scheme Claim Notice by the Scheme Administrators or such longer period as the Company, the Scheme Administrators and the relevant Scheme Creditor may agree in writing;

**"Distribution Confirmation Deed"** means the document that is substantially in the form set out in Appendix 2 to the Account Holder Letter or Appendix 2 to the Lender Proxy Form (as applicable) and available on the Scheme Portal;

**"Eligible Person"** means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline;

**"Escrow Account"** means the escrow account(s) to be established by the Escrow Agent for the Escrow Period pursuant to the terms of the Escrow Agreement;

**"Escrow Agent"** means the Person to be appointed by the Company under the Escrow Agreement as escrow agent for the Escrow Account;

**"Escrow Agreement"** means the agreement pursuant to which the Escrow Agent shall hold the Blocked Scheme Consideration Entitlement for the Company, in a form approved by the Escrow Agent and to be entered into in accordance with Clause 8.1;

**"Escrow Period"** means the period commencing from the date of the establishment of the Escrow Account to the earlier of:

- (a) the date falling one year after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date) or such later date as the Company may designate in its sole discretion as notified by the Company to the Scheme Creditors in writing; or
- (b) the lifting of the Applicable Sanctions in respect of all Blocked Scheme Creditors;

**"Excluded Claims"** has the meaning given to it in Clause 12.5;

**"Excluded Persons"** has the meaning given to it in Clause 13.1;

**"Existing Bilateral Facilities (SBLC)"** means, collectively, the financing arrangements described in Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"Existing Common Collateral Agent"** means DB Trustees (Hong Kong) Limited in its capacity as common security agent under the Existing Intercreditor Agreement, as "Collateral Agent" under each Existing Public Notes Indenture (save for the Existing Public Notes Indenture in respect of the US\$50,000,000 8.5% Senior Notes Due 2022) and as "Common Collateral Agent" under the Existing Syndicated Facilities;

**"Existing Debt"** means Existing Loans Debt and Existing Notes Debt;

**"Existing Debt Administrative Parties"** means the Existing Notes Administrative Parties and the Existing Loans Administrative Parties;

**"Existing Debt Finance Documents"** means the Existing Loans Finance Documents, the Existing Notes Finance Documents, the Existing Security Agreements and the Existing Intercreditor Agreement;

**"Existing Debt Obligors"** means the Company, the Existing Public Notes Guarantors, the Existing Syndicated Facilities Guarantors and the USD100m Noble Prestige Facility Guarantors;

**"Existing Intercreditor Agreement"** means the intercreditor agreement originally dated 23 November 2012, entered into by, among others, the Company, certain subsidiary guarantor pledgors parties thereto and the Existing Common Collateral Agent, as amended, supplemented and acceded to from time to time;

**"Existing Lender"** means a lender of record under any of the Existing Syndicated Facilities, the USD100m Noble Prestige Facility or any Person who has a beneficial interest as principal under any Existing Loans Finance Documents;

**"Existing Loans"** means:

- (a) the Existing Syndicated Facilities;
- (b) the Existing Bilateral Facilities (SBLC);
- (c) the Existing Other Offshore Financings;
- (d) the Existing Onshore Facilities;
- (e) the USD100m Noble Prestige Facility; and

(f) the Existing Private Loans;

**"Existing Loans Administrative Parties"** means:

- (a) the Existing Syndicated Facilities Administrative Parties;
- (b) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" under the USD200m CCB Facility;
- (c) Tai Fung Bank Limited in its capacity as "Facility Agent" and "Security Agent" under the HKD780m Tai Fung Bank Facility;
- (d) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and Dragons 719 Limited in its capacity as "Security Agent" under the USD200m Happy Team Facility;
- (e) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD120m King World Facility; and
- (f) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD150m King World Facility;

**"Existing Loans Debt"** means, save for the China Aoyuan Scheme Excluded Liabilities, all Liabilities due, owing or incurred from time to time by any member of the China Aoyuan Offshore Group to the Existing Lenders under or in connection with the Existing Loans, the Existing Loans Finance Documents and/or the Noble Prestige Arbitration Award, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Loans Finance Documents"** means the Existing Syndicated Facilities Finance Documents, the USD100m Noble Prestige Facility Finance Documents, the Existing Onshore Facilities Finance Documents, the Existing Private Loans Finance Documents, each "Finance Document" under and as defined under the Existing Loans (as applicable), all agreements and instruments relating to the Existing Loans and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Noteholder"** means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in (as applicable) the Existing Notes;

**"Existing Notes"** means, collectively, the Existing Public Notes and the Existing Private Notes;

**"Existing Notes Administrative Parties"** means:

- (a) in respect of the Existing Public Notes, the Existing Public Notes Administrative Parties; and
- (b) in respect of the Existing Private Notes, the Existing Private Notes Administrative Parties;

**"Existing Notes Common Depositaries"** means, collectively, each Existing Public Notes Common Depositary and each Existing Private Notes Common Depositary;

**"Existing Notes Debt"** means, save for the China Aoyuan Scheme Excluded Liabilities, all Liabilities due, owing or incurred from time to time by any member of the China Aoyuan Offshore Group to the Existing Notes Administrative Parties and/or the Existing Noteholders under or in connection with the Existing Notes and/or the Existing Notes Finance Documents, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Notes Finance Documents"** means the Existing Public Notes Indentures, the Existing Private Notes Instruments, the Existing Private Notes Finance Documents, the Existing Notes and

all agreements and instruments relating to the Existing Notes and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Notes Global Notes"** means, collectively, the Existing Public Notes Global Notes and the Existing Private Notes Global Notes;

**"Existing Onshore Facilities"** means, collectively, the financing arrangements described in Part F (*Existing Onshore Facilities*) of Schedule 2 (*Existing Debt*);

**"Existing Onshore Facilities Finance Documents"** means the Existing Onshore Facilities described in Part F (*Existing Onshore Facilities*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the Existing Onshore Facilities and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Existing Onshore Facilities Obligors"** means any member of the China Aoyuan Onshore Group that owes or incurs any Liabilities from time to time under or in connection with the Existing Onshore Facilities and/or Existing Onshore Facilities Finance Documents, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Other Offshore Financings"** means, collectively, the financing arrangements described in Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"Existing Private Loans"** means, collectively, the financing arrangements described in Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"Existing Private Loans Finance Documents"** means, collectively, the HKD676m Lofty Time Facility Finance Documents, the HKD780m Tai Fung Bank Facility Finance Documents, the HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents, the USD120m King World Facility Finance Documents and the USD150m King World Facility Finance Documents;

**"Existing Private Notes"** means, collectively, the financing arrangements described in Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Private Notes Administrative Parties"** means the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Existing Private Notes Paying Agent and the Existing Private Notes Registrar and Transfer Agent;

**"Existing Private Notes Common Depositary"** means China Construction Bank (Asia) Corporation Limited (or its nominee) in its capacity as common depositary under each of the Existing Private Notes Instruments for the Clearing Systems;

**"Existing Private Notes Finance Documents"** means, collectively, the USD100m Power Linkage Bonds Finance Documents, the USD250m Power Linkage Bonds Finance Documents, USD200m Luck Gain Bonds Finance Documents, USD100m Multi-Prospect Bonds Finance Documents;

**"Existing Private Notes Fiscal Agency Agreements"** means, collectively, the fiscal agency agreements entered into between, among others, the Company and the Existing Private Notes Fiscal Agent pursuant in connection with the Existing Private Notes Instruments;

**"Existing Private Notes Fiscal Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Fiscal Agent" under each Existing Private Notes Instrument;

**"Existing Private Notes Global Notes"** means the global notes deposited with or on behalf of and registered in the name of each Existing Private Notes Common Depositary or its nominee;



**"Existing Private Notes Instruments"** means each of the "Existing Private Notes Instruments" as described in Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Private Notes Paying Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Paying Agent" under each Existing Private Notes Instrument;

**"Existing Private Notes Registrar and Transfer Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Registrar" and "Transfer Agent" under each Existing Private Notes Instrument;

**"Existing Public Notes"** means, collectively, the financing arrangements described in Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Public Notes Administrative Parties"** means the Existing Public Notes Trustee, the Existing Common Collateral Agent, the Existing Public Notes Common Depositary, the Existing Public Notes Paying Agent and the Existing Public Notes Registrar and Transfer Agent;

**"Existing Public Notes Common Depositary"** means Deutsche Bank AG, Hong Kong Branch (or its nominee) in its capacity as common depositary under each Existing Public Notes Indenture for the Clearing Systems;

**"Existing Public Notes Finance Documents"** means the Existing Public Notes described at item Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the Existing Public Notes and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Existing Public Notes Global Notes"** means the global notes deposited with or on behalf of and registered in the name of the Existing Public Notes Common Depositary or its nominee;

**"Existing Public Notes Guarantors"** means, collectively, the entities described in Schedule 3 (*List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors*) in their capacity as "Subsidiary Guarantors" under each Existing Public Notes Indenture;

**"Existing Public Notes Indentures"** means each of the "Existing Public Notes Indenture" as described in Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Public Notes Paying Agent"** means Deutsche Bank AG, Hong Kong Branch in its capacity as "Paying Agent" under each Existing Public Notes Indenture;

**"Existing Public Notes Registrar and Transfer Agent"** means Deutsche Bank AG, Hong Kong Branch in its capacity as "Registrar" and "Transfer Agent" under each Existing Public Notes Indenture;

**"Existing Public Notes Trustee"** means DB Trustees (Hong Kong) Limited in its capacity as "Trustee" under each Existing Public Notes Indenture or any successor trustee under each Existing Public Notes Indenture;

**"Existing Security Agreements"** means:

- (a) the "Common Security Documents" as defined in the Existing Intercreditor Agreement;
- (b) the "Company Share Mortgage" and "Security Agreement (Offshore Guarantor Intra-group Receivables)" as defined in the HKD676m Lofty Time Facility; and
- (c) the "Transaction Security Documents" as defined in the USD200m Happy Team Facility;

**"Existing Syndicated Facilities"** means, collectively, the financing arrangements described in Part B (*Existing Syndicated Facilities*) of Schedule 2 (*Existing Debt*);

**"Existing Syndicated Facilities Administrative Parties"** means, collectively, the Existing Syndicated Facilities Agents and the Existing Common Collateral Agent;

**"Existing Syndicated Facilities Agents"** means Hang Seng Bank Limited and Nanyang Commercial Bank, Limited in their respective capacities as "Agent" under the relevant Existing Syndicated Facilities;

**"Existing Syndicated Facilities Finance Documents"** means each "Finance Document" under and as defined under each of the Existing Syndicated Facilities, all agreements and instruments relating to the Existing Syndicated Facilities and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Syndicated Facilities Guarantors"** means, collectively, the entities described in Schedule 3 (*List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors*) in their capacity as "Guarantors" under each of the Existing Syndicated Facilities;

**"Explanatory Statement"** means the composite document of the Company addressed to the Scheme Creditors containing, among other things, the explanatory statement of the Company in compliance with the Hong Kong Companies Ordinance, the Cayman Companies Act and the terms of this Scheme (including all appendices, schedules and annexures thereto);

**"Final Scheme Effective Date"** means the date falling on the later of: (i) the Scheme Effective Date; and (ii) the Add Hero Scheme Effective Date;

**"Governmental Entity"** means any federal, national or local government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal or judicial body of Hong Kong, the PRC, the United States of America, the European Union, the United Kingdom, the British Overseas Territories (including the Cayman Islands) or any other relevant jurisdiction;

**"HK Court"** means the High Court of Hong Kong and any court capable of hearing appeals therefrom;

**"HKD329m Hang Seng Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 1 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD367m Hang Seng Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 4 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD676m Lofty Time Facility"** means the Existing Private Loan described at item 1 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD676m Lofty Time Facility Finance Documents"** means the HKD676m Lofty Time Facility and all agreements and instruments relating to the HKD676m Lofty Time Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKD740m Bank of East Asia Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 2 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD780m Tai Fung Bank Facility"** means the Existing Private Loan described at item 2 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD780m Tai Fung Bank Facility Finance Documents"** means the HKD780m Tai Fung Bank Facility and all agreements and instruments relating to the HKD780m Tai Fung Bank Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKD Equivalent of US\$100m Tai Fung Bank Facility"** means the Existing Private Loan described at item 3 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents"** means the HKD Equivalent of US\$100m Tai Fung Bank Facility and all agreements and instruments relating to the HKD Equivalent of US\$100m Tai Fung Bank Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKEX"** means The Stock Exchange of Hong Kong Limited;

**"Holding Period"** means the period commencing from the Restructuring Effective Date up to the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to the Scheme Creditors in writing;

**"Holding Period Expiry Date"** means the last day of the Holding Period;

**"Holding Period Trust Deed"** means the trust deed to be entered into by, among others, the Holding Period Trustee, for the purpose of creating the trust in accordance with Clause 7.1 and is in substantially the form set out at Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Holding Period Trustee"** means Madison Pacific Trust Limited, or any additional or replacement trustee at any time that is appointed in accordance with terms of the Holding Period Trust Deed, in its capacity as bare trustee of the Trust Assets under the Holding Period Trust Deed;

**"Hong Kong"** means Hong Kong, Special Administrative Region of the People's Republic of China;

**"Hong Kong Companies Ordinance"** means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;

**"Hong Kong Registrar of Companies"** means the Registrar of Companies appointed under the Hong Kong Companies Ordinance;

**"Information Agent"** means Morrow Sodali Limited or any other person appointed by the Company to act as information agent in connection with this Scheme;

**"Initial Consenting Creditors"** means the entities listed in Schedule 1 (*The Initial Consenting Creditors*) of the Restructuring Support Agreement;

**"Insolvency Event"** means: (i) a court of competent jurisdiction granting an order in respect of any Insolvency Proceedings in relation to any Key Entity; (ii) any Key Entity passing a resolution in respect of any Insolvency Proceeding in relation to itself; or (iii) any creditor submitting an application, petition or similar document, the effect of which would be to result in an Insolvency Proceeding in relation to any Key Entity, provided that any such proceeding or step which:

- (a) in respect of (iii) above, is contested in good faith and with due diligence and discharged, withdrawn, set aside or struck out within sixty (60) calendar days of commencement of such proceeding or step; or
- (b) occurs by reason of the implementation and/or consummation of all or any part of the Restructuring (including, for the avoidance of doubt, any court or judicial process concerning the effectiveness of the China Aoyuan Schemes and Add Hero Schemes in the relevant jurisdictions),

shall not constitute an "Insolvency Event".

**"Insolvency Proceeding"** means any proceeding, process, appointment or application under any law relating to insolvency, reorganisation, winding-up, or composition or adjustment of debts, including, without limitation, winding-up, liquidation, bankruptcy, provisional liquidation, receivership, restructuring officer, administration, provisional supervision, company voluntary arrangement, scheme of arrangement (other than the China Aoyuan Schemes and the Add Hero Schemes), suspension of payment under court supervision or any other analogous proceedings in any jurisdiction;

**"Key Entity"** means (a) the Company; (b) Add Hero; and (c) Aoyuan Group Company Limited (奥园集团有限公司);

**"Key Person"** means an executive director of any Key Entity from time to time;

**"Lender Proxy Form"** means a form from a Scheme Creditor who is an Existing Lender substantially in the form of, as the context requires:

- (a) in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, the lender proxy form set out in Schedule 3 (*Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Loans (other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility), the lender proxy form set out in Schedule 4 (*Lender Proxy Form (Other Non-ICA Debt)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, the holding period lender proxy form set out in Schedule 5 (*Holding Period Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time; or
- (d) in respect of the Existing Loans (other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility), the holding period lender proxy form set out in Schedule 6 (*Holding Period Lender Proxy Form (Other Non-ICA Debt)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time,

including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal, provided, in each case, that the Scheme Administrators (in consultation with the Information Agent and acting on behalf of the Company) shall have discretion to accept a purported Lender Proxy Form (which contains substantially the information required in respect of such Lender Proxy Form) even if such form deviates from the aforementioned forms;

**"Liability"** means any debt, liability or obligation whatsoever, whether it is present, future, prospective or contingent, whether or not its amount is fixed or undetermined, whether or not it involves the payment of money or the performance of an act or obligation, and whether arising at common law, in equity or by statute in or under the laws of the Cayman Islands, BVI, England & Wales, Hong Kong, PRC, New York or under any other law or in any other jurisdiction howsoever arising, including any amount which would constitute such a liability but for any discharge, non-provability, unenforceability or non-allowance of the same in any insolvency or other Proceeding, including any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing

or constituting any other Liability falling within this definition, and any claim for damages or restitution; and **"Liabilities"** shall be construed accordingly;

**"Linklaters"** means Linklaters and any affiliated firms, alliance partners or other entities carrying on business under or including the name "Linklaters" or under joint venture or alliance or collaboration arrangements in association with Linklaters in other jurisdictions;

**"Longstop Date"** means:

- (a) the date falling on the earlier of: (i) 60 calendar days after the Final Scheme Effective Date; and (ii) 31 March 2024; or
- (b) such later date as may be extended pursuant to Clause 16.1;

**"Longstop Date Extension"** has the meaning given to it in Clause 16.1;

**"Majority Scheme Creditors"** means Scheme Creditors holding in aggregate more than 50% in value of the aggregate principal amount of the Scheme Claims at the relevant time;

**"NDRC"** means the National Development and Reform Commission of the PRC (中华人民共和国国家发展和改革委员会);

**"New Shares"** means the new 1,000,000,000 Aoyuan Shares to be issued by the Company in connection with this Scheme;

**"New Shares Entitlement"** means the entitlement of: (a) each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive New Shares issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor pursuant to Clause 4.4.1(i); or (b) each Blocked Scheme Creditor to receive its share of the New Shares pursuant to Clause 4.4.1(ii), in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2

**"Noble Prestige Arbitration Award"** means the arbitration award dated 22 November 2022 granted by the Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Centre) in respect of the arbitration proceedings commenced by Noble Prestige (Cayman) Limited against Aoyuan Group Company Limited (奥园集团有限公司) in connection with the USD100m Noble Prestige Facility;

**"Offshore Creditors' Director"** means the person nominated by the Ad Hoc Group to be appointed as a director to the board of directors of Add Hero in consultation with the Company and/or Add Hero;

**"Offshore Creditors' Director Qualification Requirements"** means the applicable requirements to be satisfied by the Offshore Creditors' Director, including that the Offshore Creditors' Director shall satisfy all applicable requirements under the Rules Governing the Listing of Securities on the HKEX and applicable legal requirements for such directorship;

**"Person"** means any natural person, corporation, limited or unlimited liability company, trust, joint venture, association, corporation, partnership, Governmental Entity or other entity whatsoever;

**"PRC"** means the People's Republic of China, and for the purposes of this Scheme only, does not include Hong Kong, Macau, or Taiwan;

**"Proceeding"** means any process, suit, action, legal or other proceeding in any jurisdiction, including, without limitation, any arbitration, mediation, alternative dispute resolution, judicial review,

adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security or Insolvency Proceeding in any jurisdiction;

**"Protected Parties"** means the Advisers, any Director, the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Holding Period Trustee, the Adjudicator or any of their respective Affiliates, equity holders, members, managing members, officers, directors, partners, employees, advisers, principals, attorneys, professional advisers, accountants, investment bankers, consultants, agents and representatives (including their Affiliates);

**"Qualified Person"** means a person who is:

- (a) a Hong Kong Senior Counsel or United Kingdom King's Counsel with relevant experience in restructuring and insolvency matters who has been called to the bar for at least eight (8) years; or
- (b) a chartered accountant who is a partner from a reputable accounting firm and has at least 10 years of experience in restructuring and insolvency matters,

and, in each case, provides a written confirmation to the Company that he or she has no conflict of interest in respect of the Disputed Scheme Claim that is referred to him or her for adjudication;

**"Record Date"** means following the close of business and cessation of trading of the Clearing Systems on 20 November 2023;

**"Reference Date"** means 30 September 2023;

**"Reference Exchange Rate"** means: (i) the HK\$/US\$ official fixing rate which appears on the Bloomberg Screen "NDFF" Page opposite the symbol "HK\$" in the column "Last Price" on the Record Date or, should this not be available, another suitable source, as may be selected by the Company (acting reasonably); and (ii) the CNH/US\$ official fixing rate which appears on the Bloomberg Screen "NDFF" Page opposite the symbol "CNH" in the column "Last Price" on the Record Date or, should this not be available, another suitable source, as may be selected by the Company (acting reasonably);

**"Relevant Restructuring Step"** has the meaning given to it in Clause 4.3.1(iii);

**"Restructuring"** means the financial restructuring of the indebtedness of the China Aoyuan Offshore Group in accordance with and as intended to be implemented through this Scheme, the China Aoyuan HK Scheme, the Add Hero HK Scheme, the Add Hero BVI Scheme and the Restructuring Documents;

**"Restructuring Conditions"** means:

- (a) the occurrence of the Scheme Effective Date;
- (b) the occurrence of the Add Hero Scheme Effective Date;
- (c) Add Hero having obtained an approval in principle for the listing of and quotation of the Add Hero Notes on the SGX-ST;
- (d) the appointment of the Offshore Creditors' Director, provided that the nomination of the Offshore Creditors' Director shall be made and submitted by the Ad Hoc Group to the Company and Add Hero not less than 30 days prior to the Restructuring Effective Date, and such person shall satisfy the Offshore Creditors' Director Qualification Requirements;

- (e) the Company having paid (or procured payment of) all professional fees and expenses of the Advisers, the Information Agent and the Scheme Administrators associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
- (f) the Company and/or Add Hero having paid (or procured payment of) all Work Fees;
- (g) the Company having paid (or procured payment of) all the RSA Fees (Cash Component) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors), who (i) eligible to receive the RSA Fees (Cash Component) in accordance with the terms of the Restructuring Support Agreement; and (ii) have provided, on or before the Voting Instruction Deadline, their validly completed Account Holder Letter or Lender Proxy Form (as applicable) setting out the payment details for the purpose of receiving the RSA Fees (Cash Component);
- (h) the Company having paid (or procured payment of) all professional fees and expenses of the Existing Public Notes Administrative Parties and the Existing Syndicated Facilities Administrative Parties associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
- (i) the Company having paid (or procured payment of) all fees and expenses of the Existing Notes Administrative Parties, the Existing Syndicated Facilities Administrative Parties and China Construction Bank (Asia) Corporation Limited in its capacity as Existing Loans Administrative Party (including, for the avoidance of doubt, any outstanding fees, expenses and indemnities under the terms of the Existing Notes Finance Documents, the Existing Syndicated Facilities Finance Documents and the Existing Loans Finance Documents (as applicable)) which are due and payable as at the Restructuring Effective Date;
- (j) the Company having obtained an approval in principle for the listing of and quotation of the following instruments on the SGX-ST:
  - (i) the Aoyuan New Notes;
  - (ii) the Aoyuan MCB; and
  - (iii) the Aoyuan Perpetuals;
- (k) the Company having obtained the requisite shareholder approval for the issuance of new share capital in the Company in accordance with the terms of the China Aoyuan Schemes;
- (l) all necessary consents, approvals or authorisations for the effectuation of this Scheme, the Add Hero BVI Scheme, the Add Hero HK Scheme, the China Aoyuan HK Scheme and the Restructuring having been obtained, including (without limitation):
  - (i) all corporate approvals required for the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals; and
  - (ii) any and all necessary consents, approvals or authorisations from any and all relevant governmental bodies for the Restructuring and the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals, including in respect of registrations with the NDRC, which may be evidenced by way of:

- (A) successful registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) with the NDRC;
  - (B) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) and the issuance by the NDRC of a written confirmation indicating that China Aoyuan's and/or Add Hero's application (as applicable) for registration of the same with the NDRC is unnecessary (不予受理通知书); or
  - (C) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable), and no written rejection has been issued by the NDRC on or before the Restructuring Effective Date (provided that no less than 30 days have elapsed since the submission of the application to the NDRC);
- (m) the satisfaction of any conditions precedent specified by the Existing Public Notes Administrative Parties in writing to the Company (which may be modified in writing by the Existing Public Notes Administrative Parties to the Company) in respect of the completion of any court or judicial process concerning the effectiveness of the China Aoyuan Schemes and Add Hero Schemes in the relevant jurisdictions;
  - (n) the satisfaction of each of the specific conditions precedent contained in each of the Restructuring Documents (as and to the extent applicable) unless otherwise waived by the relevant parties thereunder in accordance with the terms of the Restructuring Documents; and
  - (o) the execution of each of the Restructuring Documents by or on behalf of each party thereto;

**"Restructuring Conditions Satisfaction Time"** means the time at which the Restructuring Conditions have been satisfied or waived in accordance with Clause 16.4 (*Waiver of provisions of this Scheme*) (as applicable);

**"Restructuring Documents"** means:

- (a) the Aoyuan New Securities Documents;
- (b) the Deeds of Release;
- (c) the Holding Period Trust Deed;
- (d) (if applicable) the Escrow Agreement
- (e) any documents required for the issuance of the New Shares and transfer of the Transfer Shares; and
- (f) any other documents that the Company, the Aoyuan New Notes Trustee and/or the Aoyuan New Notes Collateral Agent reasonably consider to be reasonably necessary to give effect to the Restructuring;

**"Restructuring Effective Date"** means the date specified as the Restructuring Effective Date in the most recent in time notice provided to Scheme Creditors in accordance with Clause 4.2 (*Step 2: Designation of Restructuring Effective Date*);

**"Restructuring Released Party"** has the meaning given to it in Clause 12.2;



**"Restructuring Steps"** means the steps, transactions or actions set out in Clause 4.3.2;

**"Restructuring Support Agreement"** means the restructuring support agreement dated 10 July 2023 entered into by the Company and the Initial Consenting Creditors (as defined therein) (a redacted copy of which is available on the Transaction Website) as amended, supplemented and/or restated from time to time, including by the accession or cessation of parties thereto;

**"RSA Fees (Aoyuan New Notes)"** means the Aoyuan New Notes to be issued pursuant to paragraph (b) of the definition of "RSA Fees" in the Restructuring Support Agreement;

**"RSA Fees (Cash Component)"** means the cash payable pursuant to paragraph (a) of the definition of "RSA Fees" in the Restructuring Support Agreement;

**"Sanctioned Country"** means any country or territory that is the target of any comprehensive country or territory-wide Applicable Sanctions (including, as at the date of the Explanatory Statement, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, and the countries of Cuba, Iran, North Korea and Syria);

**"Sanctioned Scheme Creditor"** means a Scheme Creditor that is:

- (a) designated on any Applicable Sanctions Lists;
- (b) resident in, ordinarily located in, or incorporated or domiciled under the laws of any Sanctioned Country;
- (c) in aggregate, 50% or greater owned, directly or indirectly, or otherwise controlled directly or indirectly (in each case with reference to Applicable Sanctions) by any Person or Persons described in paragraph (a) or (b) above of this definition; or
- (d) acting on behalf of or at the direction of any Person or Persons described in paragraph (a) or (b) above of this definition,

and which does not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in its Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems;

**"Sanctions-Affected Scheme Creditor"** means a Blocked Scheme Creditor or a Sanctioned Scheme Creditor;

**"Sanctions Law Representations"** means the sanctions law confirmations and undertakings set out in the Distribution Confirmation Deed;

**"Scheme"** means this scheme of arrangement between the Company and the Scheme Creditors made under sections 670, 673 and 674 of the Hong Kong Companies Ordinance;

**"Scheme Administrators"** means Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong, and Mr. James William Hooper, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong or such other representative of Alvarez & Marsal Asia Limited;

**"Scheme Claim"** means, save for the China Aoyuan Scheme Excluded Liabilities, any claim or claims in respect of any Liability of the Company and any member of the China Aoyuan Offshore Group to a Scheme Creditor arising, directly or indirectly, in relation to, or arising out of or in connection with, the Existing Debt Finance Documents and/or the Noble Prestige Arbitration Award, held or existing on the Record Date, including any interest or default interest accruing on, or accretions arising in respect of, such claims up to and including the Reference Date, and excluding,

for the avoidance of doubt, any liability of the Company under Clause 17 (*Costs and expenses*), and **"Scheme Claims"** shall be construed accordingly;

**"Scheme Claim Determination Notice"** means a written notice from the Scheme Administrators to each Scheme Creditor notifying such Scheme Creditor of the amount of its Scheme Claims as at the Record Date;

**"Scheme Consideration Entitlement"** means, in relation to a Scheme Creditor (other than any Existing Debt Administrative Party), its Aoyuan New Securities Entitlement, its New Shares Entitlement and its Transfer Shares Entitlement;

**"Scheme Consideration Pro Rata Proportion"** means, in respect of a Scheme Creditor, the proportion of: (i) the aggregate principal amount outstanding on its Existing Notes Debt and/or Existing Loans Debt held as of the Record Date, together with all accrued and unpaid interest on the same up to and including the Reference Date; to (ii) the aggregate principal amount outstanding of all outstanding Existing Notes Debt and Existing Loans Debt as of the Record Date, together with all accrued and unpaid interest on the same up to and including the Reference Date, expressed as a percentage;

**"Scheme Convening Order"** means the order of the HK Court directing that the Scheme Meeting be convened, a copy of which is attached at and substantially in the form of Part A of Appendix 8 (*Scheme Convening Order*) to the Explanatory Statement;

**"Scheme Creditors"** means, those persons who were as at the Record Date, and without double counting:

- (a) the Existing Lenders;
- (b) the Existing Loans Administrative Parties (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Loans). The Existing Loans Administrative Parties will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Loans at the Scheme Meeting;
- (c) the Existing Noteholders; and
- (d) the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Notes Common Depositaries, (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on (i) the Existing Public Notes pursuant to the Existing Public Notes Indentures and (ii) the Existing Private Notes pursuant to the Existing Private Notes Fiscal Agency Agreements (as applicable), and their enforcement rights under the relevant Existing Notes Finance Documents). For the avoidance of doubt, Account Holders and Intermediaries are not Scheme Creditors for the purpose of voting and receiving distributions of the Scheme Consideration Entitlement unless they also have a beneficial interest as principal in the Existing Notes held in global form through the Clearing Systems as at the Record Date (for voting purposes). The Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Notes Common Depositaries (and each of their nominee(s)) will not (in accordance with the relevant Existing Notes Finance Documents and their respective customary practices) exercise any voting rights they may have in respect of the Existing Notes at the Scheme Meeting;

**"Scheme Effective Date"** means the later of:

- (a) the date on which a sealed copy of the Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of this Scheme; and

- (b) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme;

**"Scheme Meeting"** means the meeting of the Scheme Creditors convened in accordance with the Scheme Convening Order to consider and, if thought fit, approve this Scheme, including any adjournment thereof;

**"Scheme Parties"** means, collectively, the Existing Debt Obligors, the Scheme Creditors (and their Designated Recipients, as applicable), the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties, and **"Scheme Party"** means any one of them;

**"Scheme Portal"** means <https://portal.morrowsodali.com/aoyuanscheme>;

**"Scheme Sanction Order"** means the sealed copy of the order of the HK Court sanctioning this Scheme;

**"Securities Law Representations"** means those necessary affirmative representations to be made by a person for the benefit of the Company as set out in a person's Distribution Confirmation Deed;

**"SGX-ST"** means Singapore Exchange Securities Trading Limited;

**"Solicitation Packet"** means the solicitation packet set out at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement;

**"Sponsor"** means Mr Guo Zi Wen;

**"Subsidiary"** means, in relation to any company, corporation, association or other legal entity (a **"holding company"**), a company, corporation or other legal entity:

- (a) which is controlled, directly or indirectly, by the holding company;
- (b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the holding company; or
- (c) which is a subsidiary of another Subsidiary of the holding company,

and, for this purpose, a company, corporation, association or other legal entity shall be treated as being controlled by another if that other company, corporation, association or other legal entity is able to determine the composition of the majority of its board of directors or equivalent body;

**"Surviving Rights"** means the obligations of the China Aoyuan Group under sections 7.01(I) and/or 7.06 (as applicable) of each Existing Public Notes Indenture, which survive the termination of the relevant Existing Public Notes Indenture by the express terms thereof;

**"Transaction Website"** means <https://projects.morrowsodali.com/Aoyuan>;

**"Transfer Shares"** means the 400,000,000 Aoyuan Shares, which are beneficially owned by the Sponsor;

**"Transfer Shares Entitlement"** means the entitlement of: (a) each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive Transfer Shares from the Sponsor on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed; or (b) each Blocked Scheme Creditor to receive its share of the New Shares in accordance with the terms of the Escrow Agreement, in each case, under and pursuant

to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed and Escrow Agreement, and in such amount as calculated pursuant to Clause 5.2;

**"Trust Assets"** has the meaning given to it in the Holding Period Trust Deed;

**"Unadmitted Entitlement"** has the meaning given to it in Clause 7.1;

**"Unadmitted Scheme Creditor"** has the meaning given to it in Clause 7.1;

**"United States"** or **"U.S."** means the United States of America;

**"USD70m CMB Wing Lung Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 3 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"USD100m Multi-Prospect Bonds"** means the Existing Private Notes described at item 4 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD100m Multi-Prospect Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 4 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD100m Multi-Prospect Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD100m Noble Prestige Facility"** means the US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan as borrower, Aoyuan Group Company Limited (奥园集团有限公司) as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time;

**"USD100m Noble Prestige Facility Finance Documents"** means each "Finance Document" under and as defined under the USD100m Noble Prestige Facility, all agreements and instruments relating to the USD100m Noble Prestige Facility and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"USD100m Noble Prestige Facility Guarantors"** means, collectively, Add Hero Holdings Limited, Add Lion Profits Limited and Add Right Investments Limited in their capacity as "Offshore Guarantors" under the USD100m Noble Prestige Facility;

**"USD100m Power Linkage Bonds"** means the Existing Private Notes described at item 1 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD100m Power Linkage Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 1 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD100m Power Linkage Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD120m King World Facility"** means the Existing Private Loan described at item 4 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"USD120m King World Facility Finance Documents"** means the USD120m King World Facility and all agreements and instruments relating to the USD120m King World Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD150m King World Facility"** means the Existing Private Loans described at item 5 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"USD150m King World Facility Finance Documents"** means the USD150m King World Facility and all agreements and instruments relating to the USD150m King World Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD200m CCB Facility"** means the Existing Other Offshore Financing described at item 4 of Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"USD200m Happy Team Facility"** means the Existing Other Offshore Financing described at item 6 of Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"USD200m Luck Gain Bonds"** means the Existing Private Notes described at item 3 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD200m Luck Gain Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 3 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD200m Luck Gain Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD250m Power Linkage Bonds"** means the Existing Private Notes described at item 2 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD250m Power Linkage Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 2 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD250m Power Linkage Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Voting Instruction Deadline"** means being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023; and

**"Work Fee"** means the work fee payable to the Ad Hoc Group and certain members of the CoCom in accordance with the terms of certain letter agreements entered into by China Aoyuan, Add Hero and certain members of the Ad Hoc Group and CoCom.

## Part B Interpretation

- 1** In this Scheme, unless the context otherwise requires or otherwise expressly provides for:
- (a) references to "Clauses", "Schedules" and "Recitals" are references to the Clauses, Schedules and Recitals, respectively, of this Scheme;
  - (b) references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required Custody Instruction or other required instruction to or through a Clearing System, or submitting an Account Holder Letter or Lender Proxy Form (as applicable) via the Scheme Portal);
  - (c) any references to a Scheme Creditor shall be references to a Scheme Creditor in its capacity as an Existing Noteholder and/or Existing Lender (as applicable), and a Scheme Creditor shall be required to take all steps and actions required in this Scheme to be taken by a Scheme Creditor in any such capacity (as applicable);
  - (d) references to a "person" include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency and shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (e) all references to "**USD**" or "**US\$**" are to the lawful currency for the time being of the United States, all references to "**HKD**" or "**HK\$**" are to the lawful currency for the time being of Hong Kong and all references to "**RMB**" or "**CNH**" are to the lawful currency for the time being of the PRC;
  - (f) references to a statute or statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
  - (g) references to a document include the same as subsequently supplemented, amended and/or restated from time to time;
  - (h) references to "writing" or "written" includes email;
  - (i) the singular includes the plural and vice versa, and words importing one gender shall include all genders;
  - (j) the term "including" means "including, without limitation";
  - (k) the words "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them; and
  - (l) headings are for ease of reference only and shall not affect the interpretation of this Scheme.
- 2** To the extent that there is any conflict or inconsistency between the terms of this Scheme and the Explanatory Statement, the terms of this Scheme shall prevail.
- 3** References to any figures or amounts in this Scheme are subject to:

- (a) potential modifications or adjustments under Clause 11.2 (*Fractional entitlements*) or otherwise as a result of any rounding or other calculation or allocation procedures set out herein; and
- (b) such minor or technical amendments or any amendments to correct manifest errors as may be agreed by or on behalf of the Company.

## Schedule 2 Existing Debt

### Part A Existing Public Notes

S/n	Description of Existing Public Notes	ISIN	Existing Public Notes Indenture
1.	US\$250,000,000 5.375% Senior Notes Due 2022	XS1611005957	As constituted by the indenture dated 13 September 2017, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB Trustees (Hong Kong) Limited ("DB") as trustee.
2.	US\$188,000,000 4.2% Senior Notes Due 2022	XS2282587505	As constituted by the indenture dated 21 January 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
3.	US\$500,000,000 8.5% Senior Notes Due 2022	XS1937690128	As constituted by the indenture dated 23 January 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
4.	US\$200,000,000 8.0% Senior Notes Due 2022	XS2264537684	As constituted by the indenture dated 22 January 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
5.	US\$50,000,000 8.5% Senior Notes Due 2022	XS2378476951	As constituted by the indenture dated 31 August 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
6.	US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series	XS1952585112	As constituted by the indenture dated 19 February 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.



7.	US\$200,000,000 7.35% Senior Notes Due 2023	XS2014471432	As constituted by the indenture dated 21 June 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
8.	US\$460,000,000 6.35% Senior Notes Due 2024	XS2196807833	As constituted by the indenture dated 2 July 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
9.	US\$200,000,000 7.95% Senior Notes Due 2024	XS2351242461	As constituted by the indenture dated 21 June 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
10.	US\$230,000,000 5.98% Senior Notes Due 2025	XS2258822233	As constituted by the indenture dated 18 November 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
11.	US\$350,000,000 6.2% Senior Notes Due 2026	XS2233109409	As constituted by the indenture dated 24 September 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
12.	US\$350,000,000 5.88% Senior Notes Due 2027	XS2307633565	As constituted by the indenture dated 1 March 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.

## Part B

### Existing Syndicated Facilities

S/n	Description of Existing Syndicated Facilities
1.	The HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time
2.	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time
3.	The HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

## Part C

### Existing Bilateral Facilities (SBLC)

S/n	Description of Existing Bilateral Facilities (SBLC)
1.	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender
2.	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between China Aoyuan Group Limited as borrower and The Bank of East Asia, Limited as lender
3.	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between China Aoyuan Group Limited as borrower and CMB Wing Lung Bank Limited as lender
4.	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021, entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender

## Part D

### Existing Other Offshore Financings

S/n	Description of Existing Other Offshore Financings
1.	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and China CITIC Bank International Limited as lender
2.	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as lender
3.	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between China Aoyuan Group Limited as borrower and Chiyu Banking Corporation Limited as lender
4.	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, China Aoyuan Group Limited as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time
5.	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder
6.	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time

## Part E

### Existing Private Notes

S/n	Description of Existing Private Notes	ISIN	Existing Private Notes Instruments
1.	US\$100,000,000 6.00% guaranteed Bonds Due 2022	XS2190931365	As constituted by (i) the deed of covenant dated 19 June 2020 and fiscal agency agreement dated 19 June 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) the deed of guarantee dated 19 June 2020 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
2.	US\$250,000,000 10.75% guaranteed Bonds Due 2022	XS2372877469	As constituted by (i) the deed of covenant dated 18 August 2021 and fiscal agency agreement dated 18 August 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) the deed of guarantee dated 18 August 2021 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
3.	US\$200,000,000 7.38% guaranteed Bonds Due 2021	XS2265803283	As constituted by (i) the deed of covenant dated 10 December 2020 and fiscal agency agreement dated 10 December 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Luck Gain Limited, and (ii) the deed of guarantee dated 10 December 2020 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
4.	US\$100,000,000 6.05% guaranteed Bonds Due 2022	XS2282540025	As constituted by (i) the deed of covenant dated 21 January 2021 and fiscal agency agreement dated 21 January 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Multi-Prospect Limited, and (ii) the deed of guarantee dated 21 January 2021 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.

## Part F

### Existing Onshore Facilities

S/n	Description of Existing Onshore Facilities
1.	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion
2.	Fixed assets loan between 成都市奥誉置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million
3.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million
4.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB240 million
5.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million
6.	M&A loan between 奥园集团（广东）有限公司 (Borrower) and 中国工商银行股份有限公司广州荔湾支行 (Lender) amounting to RMB600 million
7.	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
8.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
9.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
10.	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
11.	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
12.	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a

	Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
13.	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
14.	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
15.	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
16.	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
17.	Loan between 天津凯华奎恩房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
18.	Loan between 重庆中翡岛置业有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)

## Part G

### Existing Private Loans

S/n	Description of Existing Private Loans
1.	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as borrower, China Aoyuan Group Limited as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time
2.	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time
3.	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, China Aoyuan Group Limited as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility
4.	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time
5.	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time



### Schedule 3

#### List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors

1. Able Run Management Limited
2. Able Sharp Limited (力鋒有限公司)
3. Ace Super International Limited (佳超國際有限公司)
4. Ace Will Holdings Limited
5. Act Fast Investments Limited
6. Act Now International Limited
7. Active Top Group Limited (騰峰集團有限公司)
8. Add Gain Investments Limited
9. Add Hero Holdings Limited
10. Add Lion Profits Limited
11. Add Move Investments Limited
12. Add Power Investments Limited
13. Add Right Investments Limited
14. Add Union Management Limited (添盟管理有限公司)
15. Alchmede Holdings Limited
16. All Favour Investments Limited
17. All New Profits Limited
18. Allied Era Investments Limited (時邦投資有限公司)
19. Allywin Limited (凱盟有限公司)
20. Ample Mount Holdings Limited (沛升控股有限公司)
21. Asiacity Development Limited
22. Auto High Management Limited
23. Auto Joy Enterprises Limited
24. Auto Smart Profits Limited
25. Cheng Jie Limited (成捷有限公司)
26. Earning Ever Limited (永財有限公司)
27. Happy Genius Management Limited (悅萃管理有限公司)
28. Head Hero International Limited (雄澤國際有限公司)
29. Head Win Limited
30. High Boom International Limited (高旺國際有限公司)
31. Kingmind Limited
32. Rising Bright International Limited (昇輝國際有限公司)
33. Rising Fast Management Limited (升迅管理有限公司)
34. Sharp Mate International Limited (智迅國際有限公司)
35. Sky Jade Group Limited (天鈺集團有限公司)
36. Sleek Rich Limited (富澤有限公司)
37. Soar Wealth Limited (昇富有限公司)
38. Teleimon International Limited
39. United Joy Management Limited (合喜管理有限公司)
40. Vagatori International Limited
41. Wang Teng Limited (旺騰有限公司)
42. Warkaville Holdings Limited
43. Win Hero Group Limited
44. Wisdom First Holdings Limited (智先控股有限公司)
45. Yolinga International Limited

46. Zhen Fu Limited (振富有限公司)
47. Ace Crown Limited
48. Add Energy Property Investment Holdings Limited
49. Allied Channel Limited
50. Alpha Winner Limited
51. Anway Investment Limited
52. Aoyuan Cannes Investments and Development Limited
53. Aoyuan Grand Place Investments and Development Limited
54. Asia Prime Limited
55. Asia Profit International Limited
56. Bright Oriental Limited
57. Canton Link Investment Limited
58. CAPG Limited
59. Century Earth Limited
60. Channel Time International Limited
61. Charmtex Holdings Limited
62. Cheer King International Limited
63. China Aoyuan Financial Management Limited
64. China Aoyuan Investments Limited
65. China Aoyuan Property Development Limited
66. China Planet Limited
67. Citiasia (H.K.) Limited
68. Cityfair Investment Limited
69. East Grand Development Limited
70. East Harvest Investment Limited
71. Everward Development Limited
72. Fairbo International Limited
73. Fully Rise Development Limited
74. Gold Lucky Limited
75. Land Sino Development Limited
76. Landco Development Limited
77. Magic Falcon Development Limited
78. Million Wealthy Development Limited
79. New Aoyuan City Investments and Development Limited
80. Olympic City Investments and Development Limited
81. Olympic Village Investments and Development Limited
82. Onwin Enterprises Limited
83. Sanbo Holdings Limited
84. Sino Trend Investment Limited
85. Speed Winner Limited
86. Topfair International Limited
87. Up Wealth Investment Limited
88. Winwick Development Limited

**APPENDIX 3**  
**CHINA AOYUAN CAYMAN SCHEME**  
**[See over page]**

## **The Scheme**

**IN THE GRAND COURT OF THE  
CAYMAN ISLANDS FINANCIAL  
SERVICES DIVISION**

**CAUSE NO. FSD 0284 OF 2023 (DDJ)**

**IN THE MATTER OF SECTION 86 OF THE COMPANIES ACT (2023 REVISION)  
AND IN THE MATTER OF CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

**BETWEEN**

**CHINA AOYUAN GROUP LIMITED**

*(an exempted company incorporated with limited liability under the laws of the  
Cayman Islands with company number 183222)*

**AND**

**THE SCHEME CREDITORS**

*(as herein defined)*

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**SCHEME OF ARRANGEMENT**

*(under section 86 of the Cayman Islands Companies Act (2023 Revision))*

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**BETWEEN:**

- (1) **CHINA AOYUAN GROUP LIMITED** (the "**Company**" or "**China Aoyuan**"); and
- (2) **THE SCHEME CREDITORS** (as hereinafter defined).

**RECITALS:**

**The Company**

- (A) The Company was incorporated as a company with limited liability under the laws of the Cayman Islands on 6 March 2007 with company number 183222. The Company's registered office address is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY1-1111, Cayman Islands. The Company is registered as a non-Hong Kong company in Hong Kong with registration number F0015202. The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 3883) on 9 October 2007. As at the date of the Explanatory Statement, the authorised share capital of the Company is HKD1,000,000,000 divided into 100,000,000,000 shares of a nominal or par value of HKD0.01 each, of which 2,965,571,354 of the 100,000,000,000 shares of HKD0.01 each have been issued and are fully paid up, or credited as fully paid up, with the rest remaining unissued.

**Background and purpose of this Scheme**

- (B) China Aoyuan and the Consenting Creditors have previously entered into the Restructuring Support Agreement with a view to implementing the Restructuring.
- (C) The purpose of this Scheme is to effect a compromise and arrangement between the Company and the Scheme Creditors in respect of the Scheme Claims. For the avoidance of doubt, (i) the Existing Public Notes Trustee and the Existing Notes Common Depositaries (including any nominee(s) of each Existing Notes Common Depositary as registered holders of the Existing Notes) (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Notes) are Scheme Creditors, but they will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Notes at the Scheme Meeting, and (ii) the Existing Loans Administrative Parties (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Loans) are Scheme Creditors, but they will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Loans at the Scheme Meeting. This Scheme will require the Scheme Creditors to agree, *inter alia*, to release all of their Scheme Claims in exchange for which each Scheme Creditor (and/or its Designated Recipient, as applicable) will be entitled to receive, in full and final settlement of its Scheme Claim, a distribution of its Scheme Consideration Entitlement pursuant to the terms of this Scheme.

**It is agreed** as follows:

**1 Definitions and interpretation**

- 1.1** Unless the context requires otherwise or a specific provision otherwise expressly provides to the contrary, capitalised terms in this Scheme shall have the meanings given to them in Part A (*Definitions*) of Schedule 1 (*Definitions and interpretation*).
- 1.2** Save as otherwise expressly provided, the principles of interpretation set out in

Part B (*Interpretation*) of Schedule 1 (*Definitions and interpretation*) shall be applied in construing the provisions of this Scheme.

## **2 Application and effectiveness of this Scheme**

- 2.1** The provisions of this Scheme shall take effect on and from the Scheme Effective Date, and the compromise and arrangement effected by this Scheme (including any modifications to this Scheme made in accordance with Clause 16.1 (*Modification of this Scheme*)) shall apply to all Scheme Claims and be binding on the Company and each Scheme Party and its successors, assigns and transferees (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claims after the Record Date) on and from the Scheme Effective Date.
- 2.2** Notwithstanding any other provisions of this Scheme, the China Aoyuan Scheme Excluded Liabilities shall not be subject to the terms of this Scheme.
- 2.3** The Company shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent) confirming that the Scheme Effective Date has occurred as soon as reasonably practicable following the occurrence of the Scheme Effective Date.
- 2.4** If the Restructuring Effective Date has not occurred on or before the Longstop Date (as may be extended pursuant to Clause 16.1 (*Modification of this Scheme*)), the terms of, and obligations on the parties under or pursuant to, this Scheme shall lapse and all compromises and arrangements provided for by this Scheme shall have no force or effect in accordance with and subject to Clause 15 (*Termination of Scheme*) of this Scheme, and any Restructuring Documents held in escrow shall be promptly destroyed by or on behalf of the Company and the rights and obligations of the Scheme Creditors shall not be affected and shall be reinstated and remain in full force and effect.
- 2.5** Subject to compliance with Clause 16.1 (*Modification of this Scheme*), the Company shall promptly deliver a notice (by posting such notice on the Transaction Website in accordance with Clause 18 (*Notices*)) confirming any Longstop Date Extension to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent) on the date on which the extension becomes effective.
- 2.6** On and following the Restructuring Effective Date, the Scheme Claims of each Scheme Creditor, including any person who acquires any interest in or arising out of a Scheme Claim after the Record Date, shall be subject to the compromises and arrangements set out in this Scheme.

## **3 Grant of authority and instructions to take steps to implement this Scheme**

- 3.1** On and from the Scheme Effective Date, in consideration of the rights provided to the Scheme Creditors under this Scheme and notwithstanding any term of any Existing Debt Finance Document or any other agreement or document governing the terms of any Scheme Claim, and solely for the purposes of giving effect to the terms of this Scheme, each Scheme Creditor (on its own behalf and on behalf of its Designated Recipient, as applicable) other than the Existing Public Notes Trustee and the Existing Public Notes Common Depository

irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised representative) to, on behalf of that Scheme Creditor (including any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claims after the Record Date):

- 3.1.1 enter into, execute, notarise, hold in escrow and, on and from the designated Restructuring Effective Date and in the order of the Restructuring Steps set out in Clause 4.3.2, release (or authorise the release) from escrow and deliver (whether as a deed or otherwise, and including, if applicable, before a notary in any jurisdiction), the Deeds of Release and each other Restructuring Document to which the Scheme Creditors, or any of them, are named as a party, and any other document referred to, contemplated by, or ancillary to, any of the foregoing;
- 3.1.2 agree on its behalf any amendments to the order of the Restructuring Steps set out in Clause 4.3.2 which the Company may deem (acting reasonably and in good faith) necessary or desirable in order to bring into effect the transactions intended to be entered into in order to effect the Restructuring, provided that such amendments do not change any right or obligation of or impose any additional obligation (by reference to such rights or obligations as are contemplated at the date of the Explanatory Statement) on a Scheme Creditor and do not materially and adversely affect a Scheme Creditor, and provided further that the Restructuring Steps in Clause 4.3.2(ix) shall always be conditional on the completion of the steps in Clauses 4.3.2(i) to 4.3.2(viii);
- 3.1.3 agree on its behalf any amendments to the Restructuring Documents which the Company and (if applicable) the other person(s) who will be party to the relevant Restructuring Document may deem (acting reasonably and in good faith) necessary or desirable in order to:
  - (i) ensure that they reflect and are consistent with the terms of this Scheme and the transactions intended to be entered into in order to effect the Restructuring;
  - (ii) ensure that the information and categories of information contained, or referred to, in any formula, schedule, annexe or similar, signature blocks, parties' provisions, notice details or placeholders in any Restructuring Document reflect the relevant information and categories of information as of the applicable date;
  - (iii) give effect to any amendment to a Restructuring Document as permitted in accordance with Clause 16.3 (*Modification of this Scheme*);
  - (iv) ensure that the Restructuring Documents may be duly executed and delivered; and/or
  - (v) ensure that the Restructuring Documents will be legal, valid, binding and enforceable upon the parties to them in accordance with this Scheme,

provided that such amendments do not, by reference to the rights, benefits and obligations contemplated for the purpose of the Restructuring as at the date of the Explanatory Statement:



- (i) adversely affect the rights or obligations of, or impose any additional obligation on, any Scheme Creditor,
  - (ii) confer upon, enhance or create for the benefit of any Scheme Creditor any rights which are not proportionately and rateably conferred upon, enhanced or created for the benefit of all Scheme Creditors, and
  - (iii) otherwise materially adversely affect any Scheme Creditor;
- 3.1.4** in respect of the Existing Public Notes, take whatever action is necessary to liaise with the Existing Public Notes Administrative Parties to ensure that the books and records of the Clearing Systems are updated to reflect the terms of this Scheme;
- 3.1.5** in respect of the Existing Private Notes, instruct the Existing Private Notes Administrative Parties and each of their employees and agents (as applicable) to take whatever action or execute and comply with any Restructuring Documents reasonably required to give effect to the terms of this Scheme;
- 3.1.6** in respect of the Existing Loans, instruct the Existing Loans Administrative Parties and each of their employees and agents (as applicable) to take whatever action or execute and comply with any Restructuring Documents reasonably required to give effect to the terms of this Scheme;
- 3.1.7** grant powers of attorney to any duly authorised officer or agent of the Company as necessary with the same scope as those authorisations and directions provided by the Scheme Creditors pursuant to this Clause 3.1 in order to enter into, sign, execute, notarise, release and deliver all such documents, deeds, agreements, instruments, transfers or instructions scheduled to, referred to, ancillary to or contemplated by the Restructuring Documents, or as are considered by the Company (acting reasonably and in good faith) to be reasonably necessary or desirable to implement the Restructuring, in each case, which are required to be executed and/or delivered by or on its behalf;
- 3.1.8** carry out any related or ancillary actions that the Company reasonably considers necessary or desirable for the purposes of implementing this Scheme and/or enter into and perform any and all such documents that the Company reasonably considers necessary or desirable to give effect to the terms of this Scheme and/or the Restructuring Documents; and
- 3.1.9** agree on its behalf any amendments to the Restructuring Steps or any Restructuring Document with the prior written consent of the Ad Hoc Group and the CoCom, carry out any related or ancillary actions that the Company, the Ad Hoc Group and the CoCom agree in writing in advance to be reasonably necessary or appropriate for the purposes of implementing this Scheme and/or enter into and perform any and all such documents, in each case that the Company, the Ad Hoc Group and the CoCom agree in writing in advance to be reasonably necessary or appropriate to give effect to the terms of this Scheme and/or the Restructuring Documents.
- 3.2** On and from the Scheme Effective Date, in consideration of the rights provided to the Scheme Creditors under this Scheme and notwithstanding any term of any Existing Debt Finance Document or any other agreement or document governing the terms of any Scheme Claim, each Scheme Creditor (on its own behalf and on behalf of its Designated Recipient, as applicable) other than the Existing Public Notes Trustee and the Existing Public Notes Common Depositary irrevocably authorises, directs, instructs and empowers each Existing

Debt Administrative Party, the Information Agent and each Aoyuan New Securities Administrative Party to, on behalf of that Scheme Creditor (including any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debt or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for the purposes of facilitating the implementation of this Scheme, including (without limitation) taking all such actions as may be necessary or desirable in order to:

- 3.2.1** deliver, cancel, mark down and discharge each Existing Public Notes Global Notes;
  - 3.2.2** (without prejudice to any rights, privileges, immunities, indemnities and limitations of Liability of the Existing Public Notes Trustee, the Existing Public Notes Paying Agent, the Existing Public Notes Registrar and Transfer Agent and the Existing Public Notes Common Depositary under the Existing Public Notes Finance Documents) discharge all Liabilities in respect of the Existing Debt Finance Documents, other than the China Aoyuan Scheme Excluded Liabilities;
  - 3.2.3** execute the Deeds of Release;
  - 3.2.4** authorise and instruct the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent and the Information Agent to rely upon the provisions of this Scheme, without any duty to investigate further and without incurring any liability for doing so (other than any liability arising as a result of fraud, wilful default or wilful misconduct); and
  - 3.2.5** otherwise give effect to the terms of this Scheme and enter into and execute in their respective capacities the Restructuring Documents to which they are a party and any document that they reasonably consider necessary or desirable to implement this Scheme.
- 3.3** The appointments, authorisations, directions, instructions and powers granted by each Scheme Creditor to the Company, any Existing Debt Administrative Party or any Aoyuan New Securities Administrative Party under this Clause 3 shall expire upon the earlier of:
- 3.3.1** the termination of this Scheme in accordance with Clause 15 (*Termination of Scheme*); and
  - 3.3.2** the Restructuring Effective Date.
- 3.4** The appointments, authorisations, directions, instructions and powers granted under this Clause 3 shall be treated, for all purposes whatsoever and without limitation, as having been granted by deed.
- 3.5** Each Scheme Creditor (for itself and, if applicable, for its Designated Recipient and any person to whom a Scheme Creditor has transferred its rights in respect of its Scheme Claim after the Record Date) on and from the Restructuring Effective Date irrevocably ratifies and confirms any act or omission done, caused or purported to be done by the Company, any of the Advisers, each of the Existing Debt Obligors, each of the Aoyuan New Notes Obligors, each of the Existing Debt Administrative Parties, each of the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, each of the Deed of Subordination Parties and the Holding Period Trustee, or any of their respective directors, managers, officers, partners or Affiliates,

pursuant to or for the purposes of giving effect to this Scheme, other than any act or omission done or made as a result of fraud, wilful default or wilful misconduct.

- 3.6** Notwithstanding any other provision of this Scheme, if the Restructuring Effective Date has occurred and a Restructuring Document has been executed and has become effective in accordance with its terms, then such Restructuring Document may only be amended in accordance with its terms.

## **4 Effect of the Scheme**

### **4.1 Step 1: Execution of the Restructuring Documents**

**4.1.1** As soon as practicable after the Scheme Effective Date, the Company shall:

- (i) execute but leave undated sufficient original copies of (as agreed between the parties thereto):
  - (a) all Restructuring Documents to which the Company is a party, on its own behalf; and
  - (b) all Restructuring Documents to which the Scheme Creditors are parties, on behalf of such Scheme Creditors (acting as their attorney and agent pursuant to the terms of this Scheme);
- (ii) procure that each other party to the Restructuring Documents (save for the Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties) promptly executes but leaves undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which it is a party, and promptly delivers such Restructuring Documents to the Company to be held in escrow by the Company and not released from escrow until the relevant Restructuring Step in Clause 4.3.2 occurs;
- (iii) procure that the Existing Public Notes Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and, where relevant, promptly deliver such Restructuring Documents to its legal adviser, to be held in escrow by its legal adviser and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the relevant Restructuring Step in Clause 4.3.2 occurs;
- (iv) procure that the Existing Private Notes Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs;
- (v) procure that the Existing Syndicated Facilities Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to its adviser,

Allen & Overy, to be held in escrow by Allen & Overy and be released from escrow only when (a) each other party to the relevant Restructuring Document has executed the same; and (b) the relevant Restructuring Step in Clause 4.3.2 occurs;

- (vi) procure that the Existing Loans Administrative Parties (other than the Existing Syndicated Facilities Administrative Parties) promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs; and
- (vii) procure that the Aoyuan New Securities Administrative Parties promptly execute but leave undated sufficient original copies of (as agreed between the parties thereto) all Restructuring Documents to which they are a party, and promptly deliver such Restructuring Documents to Linklaters, to be held in escrow by Linklaters and be released from escrow only when: (a) each other party to the relevant Restructuring Document has executed the same; and (b) the Relevant Restructuring Step in Clause 4.3.2 occurs.

**4.1.2** In relation to the dating and delivery of each Restructuring Document, subject to and in accordance with the terms of this Scheme, each Scheme Creditor (other than the Existing Public Notes Trustee and the Existing Public Notes Common Depositary) authorises the Company (and its duly authorised representatives) to date, complete and release the Restructuring Documents to which that Scheme Creditor is a party and to accept delivery or service on their behalf of any Restructuring Document (and any other documents, notices or evidence expressly referred to in any such Restructuring Document) required to be delivered to it, without being required to obtain any further authorisations from any Scheme Creditor or from any other person or entity, provided that the relevant release shall only occur in accordance with the relevant Restructuring Step set out in Clause 4.3.2.

## **4.2 Step 2: Designation of Restructuring Effective Date**

**4.2.1** The Restructuring Effective Date shall be subject to the occurrence of, and will be incapable of occurring prior to:

- (i) the Restructuring Conditions Satisfaction Time; or
- (ii) after the Longstop Date.

**4.2.2** The Company shall use all reasonable endeavours to procure that:

- (i) the Restructuring Conditions are satisfied as soon as reasonably practicable following the Scheme Effective Date; and
- (ii) the Restructuring Effective Date occurs on or before the Longstop Date.

**4.2.3** Within five Business Days of the occurrence of the Restructuring Conditions Satisfaction Time, the Company shall designate a Restructuring Effective Date and shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent, the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent), the

incoming Aoyuan New Notes Trustee, the incoming Aoyuan MCB Trustee and the incoming Aoyuan Perpetuals Fiscal Agent confirming the designated Restructuring Effective Date.

- 4.2.4 In the event that the Company determines, acting reasonably and in good faith, that the Restructuring Effective Date should be amended or varied, the Company shall (through the Information Agent) deliver a notice to the Scheme Creditors, the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent, the Existing Loans Administrative Parties (other than the Existing Common Collateral Agent), the incoming Aoyuan New Notes Trustee, the incoming Aoyuan MCB Trustee and the incoming Aoyuan Perpetuals Fiscal Agent confirming the new designated Restructuring Effective Date (being the first date that the Company, acting reasonably and in good faith, believes that it would be practicable for the Restructuring Effective Date to occur).
- 4.2.5 The Company shall only designate a Restructuring Effective Date on the same date that it designates a "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme) under each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme, and the designated "Restructuring Effective Date" must be the same date under and in respect of all the aforementioned schemes. In the event that the "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme) will not or does not occur under any of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme, then the Restructuring Effective Date will be delayed until a time that the "Restructuring Effective Date" (as defined in each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme) is able to occur under each of the Add Hero BVI Scheme, the Add Hero HK Scheme and the China Aoyuan HK Scheme.
- 4.2.6 If the Restructuring Effective Date has not occurred by the Longstop Date, then the Restructuring Effective Date shall be incapable of occurring and this Scheme shall terminate in accordance with Clause 15 (*Termination of Scheme*).

### 4.3 Step 3: Restructuring Steps

- 4.3.1 The Company and each Scheme Party hereby agrees that, subject to the occurrence of the Restructuring Conditions Satisfaction Time:
- (i) the Restructuring Steps shall be completed in the order set out in Clause 4.3.2;
  - (ii) each Restructuring Step shall be completed as soon as reasonably practicable following the completion of the previous Restructuring Step; and
  - (iii) in the event that any Restructuring Step (a "**Relevant Restructuring Step**") is not completed on the Business Day on which the Restructuring Steps are commenced pursuant to Clause 4.3.2, then:
    - (a) the process of the closing of the Restructuring shall be paused until the next date on which the Relevant Restructuring Step and all remaining Restructuring Steps can be completed (on which date all such Restructuring Steps shall be completed);

- (b) to the fullest extent permitted by law, such Relevant Restructuring Step, as well as all remaining Restructuring Steps completed after the Relevant Restructuring Step, shall be deemed to have occurred on the designated Restructuring Effective Date; and
- (c) no Scheme Party shall be permitted to raise any objection for the purposes of this Scheme in connection with the fact that a Restructuring Step has not been completed on the designated Restructuring Effective Date by reason of the operation of the provisions of this Clause 4.3.1(iii), provided that all Restructuring Steps have been completed on or before the Longstop Date.

**4.3.2** On the Restructuring Effective Date and subject to the occurrence of the Restructuring Conditions Satisfaction Time, the Company shall procure that the following steps shall occur in the order set out below (to the extent possible):

- (i) each Aoyuan New Notes Indenture, Aoyuan New Notes Paying Agent and Registrar Appointment Letter, Aoyuan MCB Trust Deed, Aoyuan MCB Agency Agreement, Aoyuan MCB Calculation Agency Agreement, Aoyuan Perpetuals Deed of Covenant and Aoyuan Perpetuals Fiscal Agency Agreement shall be delivered from escrow and become effective in accordance with its terms;
- (ii) the Holding Period Trust Deed shall be delivered from escrow and become effective in accordance with its terms;
- (iii) the Company shall deliver from escrow:
  - (a) the Aoyuan New Notes Global Notes to the Aoyuan New Notes Trustee, the Aoyuan New Notes Paying Agent, the Aoyuan New Notes Registrar and the Aoyuan New Notes Common Depositary;
  - (b) the Aoyuan MCB Global Certificates to the Aoyuan MCB Trustee, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar, the Aoyuan MCB Principal Conversion and Transfer Agent, the Aoyuan MCB Calculation Agent and the Aoyuan MCB Common Depositary; and
  - (c) the Aoyuan Perpetuals Global Certificates to the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Principal Paying Agent, the Aoyuan Perpetuals Registrar and Transfer Agent and the Aoyuan Perpetuals Common Depositary,

in each case along with: (x) the requisite instructions for their authentication; and (y) the requisite settlement instructions;

- (iv) the interests in the Aoyuan New Notes Global Notes, Aoyuan MCB Global Certificates and Aoyuan Perpetuals Global Certificates shall be credited as follows:
  - (a) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) who (i) are eligible to receive the RSA Fees (Aoyuan New Notes) in accordance with the terms of the Restructuring Support Agreement, in each case, to the relevant account in the Clearing Systems designated by the

relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);

- (b) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's Aoyuan New Securities Entitlement, in each case, to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);
- (c) in the case of the Blocked Aoyuan New Securities Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of this Scheme, including Clause 8 (*Distribution to the Escrow Agent*), who will hold such Blocked Aoyuan New Securities Entitlement in accordance with the terms of the Escrow Agreement; and
- (d) in the case of the Aoyuan New Securities Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold the relevant Unadmitted Entitlements on trust for the relevant Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;
- (v) the Aoyuan New Notes Security Document and the Aoyuan New Notes Collateral Agency Agreement shall be delivered from escrow and become effective in accordance with their terms;
- (vi) the Company to procure the Transfer Shares to be credited as follows:
  - (a) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's Transfer Shares Entitlement, in each case to the relevant account in the Clearing Systems designated by the relevant Scheme Creditor in its validly completed Account Holder Letter or Lender Proxy Form (as applicable);
  - (b) in the case of the Blocked Transfer Shares Entitlement of each Blocked Scheme Creditor (Participating), to the Escrow Agent subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold such Blocked Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and

- (c) in the case of the Transfer Shares Entitlement of each Unadmitted Scheme Creditor, to the securities account(s) designated by the Holding Period Trustee subject to and in accordance with the provisions of this Scheme, including Clause 7 (*Holding Period Trustee*), who will hold the relevant Unadmitted Entitlements on trust for the relevant Unadmitted Scheme Creditor in accordance with the terms of the Holding Period Trust Deed;
- (vii) the Company shall issue the New Shares in scrip form to Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) subject to and in accordance with the provisions of this Scheme, including Clause 5 (*Scheme Consideration Entitlements*), and in such proportions consistent with each relevant Scheme Creditor's New Shares Entitlement;
- (viii) to the extent not already previously delivered from escrow and effective as provided for above, the other duly executed Restructuring Documents (other than each Deed of Release) shall be delivered from escrow and become effective in accordance with their terms; and
- (ix) conditional on the completion of each of the steps outlined in Clauses 4.3.2(i) to 4.3.2(viii), the following shall occur:
  - (a) each Deed of Release shall be delivered from escrow and become effective in accordance with each of their terms;
  - (b) the Company shall ensure that each of the Existing Public Notes Global Notes representing the Existing Public Notes is cancelled by the respective Existing Public Notes Paying Agents and shall give, and shall procure the giving of, all such instructions as are required to be given to the Existing Public Notes Trustees, the Existing Public Notes Common Depositaries and/or the Clearing Systems (as applicable) for such purpose; and
  - (c) the Company shall ensure that each of the Existing Syndicated Facilities, USD200m CCB Facility and USD200m Happy Team Facility is cancelled by the respective Existing Loans Administrative Parties (as applicable) and shall give, and shall procure the giving of, all such instructions as are required to be given to such Existing Loans Administrative Parties (as applicable) for such purpose.

#### **4.4 Step 4: Actions after the Restructuring Effective Date**

##### **4.4.1 The Company shall issue in scrip form:**

- (i) the New Shares Entitlement to the Unadmitted Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) on or before the Holding Period Expiry Date; and
- (ii) the Blocked New Shares Entitlement to the Blocked Scheme Creditors (Participating) and Blocked Scheme Creditors (Residual), if the Applicable Sanctions are lifted on or prior to the expiry of the Escrow Period, with such payment to be made as soon as reasonably practicable after the lifting of the Applicable Sanctions,

provided, always, that:



- (iii) if an Unadmitted Scheme Creditor fails to submit its validly completed Account Holder Letter, Lender Proxy Form, Designated Recipient Form (as applicable) and/or Distribution Confirmation Deed by no later than the Bar Time, that Unadmitted Scheme Creditor's rights in respect of its New Shares Entitlement shall be extinguished; and
- (iv) if the Applicable Sanctions are not lifted on or prior to the expiry of the Escrow Period, that Blocked Scheme Creditor's rights in respect of its New Shares Entitlement shall be extinguished.

**4.4.2** The Company shall pay (or procure payment of) the RSA Fees (Cash Component) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) (or their Designated Recipients, as applicable), who (i) are eligible to receive the RSA Fees (Cash Component) in accordance with the terms of the Restructuring Support Agreement; and (ii) have after the Voting Instruction Deadline, but on or before the Bar Time, provided their validly completed Account Holder Letter or Lender Proxy Form (as applicable) setting out the payment details for the purpose of receiving the RSA Fees (Cash Component).

## **5 Scheme Consideration Entitlements**

**5.1** Subject to the other provisions of this Scheme, each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) and each Blocked Scheme Creditor shall receive its Scheme Consideration Entitlement or Blocked Scheme Consideration Entitlement (as applicable) in accordance with the provisions of Clause 4.3 (*Step 3: Restructuring Steps*), Clause 4.4 (*Step 4: Actions after the Restructuring Effective Date*), this Clause 5, Clause 7 (*Holding Period Trustee*) or Clause 8 (*Distribution to the Escrow Agent*) (as applicable).

### **Scheme Consideration Entitlement**

**5.2** The Scheme Consideration Entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) and the Blocked Scheme Consideration Entitlement of each Blocked Scheme Creditor shall be calculated by the Scheme Administrators (in consultation with the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable)) in accordance with the formula set out below and Clause 11.2 (*Fractional entitlements*) shall be distributed or allocated to such Scheme Creditor or Blocked Scheme Creditor (as applicable) in accordance with its validly completed Account Holder Letter, Lender Proxy Form and/or Blocked Scheme Creditor Form (as applicable).

Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Blocked Aoyuan New Notes Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan New Notes (Scheme Consideration)
Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB
Blocked Aoyuan MCB Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan MCB

Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
Blocked Aoyuan Perpetuals Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the principal amount of the Aoyuan Perpetuals
New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Blocked New Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the New Shares
Transfer Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the Transfer Shares
Blocked Transfer Shares Entitlement	=	Scheme Consideration Pro Rata Proportion <i>multiplied by</i> the Transfer Shares

**5.3** A Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) shall only receive its Scheme Consideration Entitlement on the Restructuring Effective Date if:

**5.3.1** the Scheme Creditor (or its Account Holder on its behalf, as applicable) has submitted:

- (i) in the case of the Existing Noteholder, its validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form (as applicable));
- (ii) in the case of the Existing Lender, its validly completed Lender Proxy Form (alongside a validly completed Designated Recipient Form (as applicable)); and
- (iii) such other information as is required by the Information Agent to be submitted (as set out in the Solicitation Packet) to the Information Agent (via the Scheme Portal); and

**5.3.2** the Scheme Creditor (or its Designated Recipient, as applicable) is an Eligible Person, and a validly completed Distribution Confirmation Deed has been submitted by it (or its Account Holder on its behalf, as applicable) to the Information Agent (via the Scheme Portal),

in each case, by no later than the Voting Instruction Deadline.

**5.4** A Blocked Scheme Creditor shall (i) be allocated its Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on the Restructuring Effective Date if it is a Blocked Scheme Creditor (Participating); and (ii) will only be entitled to receive its Blocked New Shares Entitlement in accordance with Clause 4.4 (*Step 4: Actions after the Restructuring Effective Date*).

**Sanctioned Scheme Creditors**

- 5.5** For the avoidance of doubt, Sanctioned Scheme Creditors shall have no entitlement to any Aoyuan New Notes, Aoyuan MCB, Aoyuan Perpetuals, New Shares or Transfer Shares pursuant to Clauses 5.2 to 5.4. Sanctioned Scheme Creditors are required to contact the Company in writing pursuant to the notice details set out at Clause 18 (*Notices*) to bring their status as a Sanctioned Scheme Creditor to the attention of the Company on or before the Bar Time.

## **6 Determination and adjudication of Scheme Claims**

### **Determination of Scheme Claims**

**6.1** The Scheme Administrators shall:

- 6.1.1** assess Scheme Claims for the purposes of determining Scheme Consideration Entitlements;
- 6.1.2** issue (or procure the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent to deliver electronically) a Scheme Claim Determination Notice to each Scheme Creditor who has validly submitted an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable):
  - (i) in respect of Scheme Claims submitted on or before the Voting Instruction Deadline, within five Business Days of the Scheme Effective Date; or
  - (ii) in respect of Scheme Claims submitted after the Voting Instruction Deadline but on or before the Bar Time, within five Business Days of the Bar Time.

**6.2** In carrying out all of the calculations to be performed by them in accordance with this Scheme, the Scheme Administrators (in consultation with the Company, the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent) shall:

- 6.2.1** in respect of an Existing Notes Debt:
  - (i) verify such claim set out in the Account Holder Letter submitted by or on behalf of an Existing Noteholder (who is not a Sanctions-Affected Scheme Creditor) against the information provided in the Custody Instruction submitted via the Clearing System through which that Existing Noteholder holds its interest in the Existing Notes; or
  - (ii) verify such claim set out in the Blocked Scheme Creditor Form submitted by or on behalf of an Existing Noteholder (who is a Blocked Scheme Creditor) against any evidence as the Scheme Administrators may request and receive from such Existing Noteholder;
- 6.2.2** in respect of an Existing Loans Debt:
  - (i) verify such claim set out in the Lender Proxy Form submitted by that Existing Lender (who is not a Sanctions-Affected Scheme Creditor) against (a) the record of Existing Lenders and the amounts owed to them maintained by the Existing Syndicated Facilities Administrative Parties (as applicable) and (b) such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company; or
  - (ii) verify such claim set out in the Blocked Scheme Creditor Form submitted by that Existing Lender (who is a Blocked Scheme Creditor) against (a) the record of Existing Lenders and the amounts owed to them maintained by the

Existing Syndicated Facilities Administrative Parties (as applicable) and (b) such other evidence as the Scheme Administrators may request and receive from such Existing Lender and/or the Company;

- 6.2.3 if applicable, apply the Reference Exchange Rate to convert any amount under the Scheme Claim that is not in US\$ to US\$,

provided, always, that, the Scheme Administrators:

- 6.2.4 shall be entitled to rely, in good faith, upon (i) information and documents supplied to them prior to the applicable deadline(s), including in the Account Holder Letters, Lender Proxy Forms, Blocked Scheme Creditor Forms, Distribution Confirmation Deeds, Designated Recipient Forms (as applicable) and (ii) such other information provided to the Scheme Administrators by the Information Agent and/or the Blocked Scheme Creditor Tabulation Agent;

- 6.2.5 may, but are not required to, take account of any information or documents supplied to them after any applicable deadline for the provision of such information; and

- 6.2.6 shall work in consultation with the Company, the Information Agent and the Blocked Scheme Creditor Tabulation Agent, as they deem desirable, necessary and appropriate.

- 6.3 To the extent permitted by applicable law, any calculation and determination performed by the Scheme Administrators (or the Information Agent and Blocked Scheme Creditor Tabulation Agent, at the Scheme Administrators' direction) as set out in the Scheme Claim Determination Notice, on behalf of the Company, in accordance with this Scheme shall (in the absence of manifest error) be final and binding on each of the Scheme Creditors and the Company, unless a Scheme Creditor disputes the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim (such claim, a "**Disputed Scheme Claim**") by submitting a Disputed Scheme Claim Notice to the Scheme Administrators by 5 p.m. (Hong Kong time) on a date no later than five Business Days following its receipt of the Scheme Claim Determination Notice (for example, if a Scheme Claim Determination Notice is received by a Scheme Creditor on a Monday, a Disputed Scheme Claim Notice must be submitted on or before 5 p.m. (Hong Kong time) on the Monday of the following week).

#### **Adjudication of Disputed Scheme Claims**

- 6.4 Upon receipt of the Disputed Scheme Claim Notice, the Scheme Administrators and the relevant Scheme Creditor shall thereafter discuss in good faith with the view to resolve the Disputed Scheme Claim by agreement with the relevant Scheme Creditor during the Disputed Scheme Claim Resolution Period.
- 6.5 If a Scheme Creditor continues to dispute the Scheme Administrators' determination of such Scheme Creditor's Scheme Claim and no agreement can be reached by the end of the Disputed Scheme Claim Resolution Period, the Scheme Creditor shall be entitled to apply in writing to the Adjudicator to review the Disputed Scheme Claim, provided such application is:
- 6.5.1 submitted by 5 p.m. (Hong Kong time) on the date which is no later than five Business Days following the end of the Disputed Scheme Claim Resolution Period (i.e. if the Disputed Scheme Claim Resolution Period ends on a Monday, a Scheme Creditor must apply in writing to the Adjudicator to review the Disputed Scheme

Claim on or before 5 p.m. (Hong Kong time) on the Monday of the following week); and

**6.5.2** made on the basis of the same grounds and supporting material set out in the Disputed Scheme Claim Notice.

**6.6** The Adjudicator shall only adjudicate upon a Disputed Scheme Claim, provided that the relevant Scheme Creditor or person claiming to be a Scheme Creditor confirms in its application to the Adjudicator that: (i) the determination by the Scheme Administrators is being disputed in good faith; (ii) it shall promptly and without undue delay deliver such documents and perform such acts as may reasonably be requested by the Adjudicator for the purpose of enabling him/her to reach a decision; and (iii) within three Business Days of any request by the Adjudicator, provide indemnification and/or pre-funding in such form and/or in such amounts as the Adjudicator may require, acting reasonably and in good faith.

**6.7** Failure to apply to the Adjudicator within the timeframe set out in Clause 6.5 and/or strictly comply with the provisions of Clause 6.6, shall be deemed to be an irrevocable acceptance by the Scheme Creditor of the decision of the Scheme Administrators in respect of its Scheme Claim and any right to further challenge the finding of the Scheme Administrators in respect of such Scheme Claim shall be waived.

**6.8** The Adjudicator shall review the Disputed Scheme Claim and relevant evidence before him/her (and any additional evidence as he/she may request and receive from the relevant Scheme Creditor, the Company and any factual and/or expert witnesses) in relation to the Disputed Scheme Claim and determine, on the balance of probabilities, whether all or part of that Disputed Scheme Claim would be admissible as a proof in the Company's winding up in the Cayman Islands and/or Hong Kong and therefore should be admitted for the purposes of receiving distributions under or in connection with the Scheme.

**6.9** The Adjudicator shall have discretion to extend such timeframes and/or adopt procedures (including, without limitation, requesting written submissions and further evidence from the parties, requesting oral hearings and/or the provision of expert evidence) relevant to the nature of the Disputed Scheme Claim being considered so as to provide a fair, efficient and expeditious means for the final resolution of the Disputed Scheme Claim. Specifically, the Adjudicator may, in his/her sole discretion and as the Adjudicator considers appropriate:

**6.9.1** provide additional directions to the relevant Scheme Creditor, the Company and/or the Scheme Administrators to submit written submissions and further evidence;

**6.9.2** establish the conduct of any oral hearing (including its date, form, content, procedure, time limits and geographical place), provided each of the relevant Scheme Creditor and the Company is given reasonable notice in writing of any such event;

**6.9.3** appoint one or more experts (who shall be and remain impartial and independent of the Company and the relevant Scheme Creditor) to report in writing to him/her on specific issues relating to the Disputed Scheme Claim, as identified by the Adjudicator;

**6.9.4** extend the timetable set out in Clause 6.10; and

**6.9.5** make an order as to costs of the adjudication (including the legal and other expenses incurred) against the Company or the Scheme Creditor guided by the principle that costs follow the event.

- 6.10** Within 10 Business Days of being referred a Disputed Scheme Claim pursuant to Clause 6.5, the Adjudicator shall:
- 6.10.1** deliver the Adjudicator Decision on the basis of the documents received from the Scheme Administrators, the Company and/or the relevant Scheme Creditor, as applicable, by such time; and
  - 6.10.2** provide a copy of the same to the Scheme Administrators, the Company and the relevant Scheme Creditor.
- 6.11** Communications between the Adjudicator, the Scheme Administrators, the Company and the relevant Scheme Creditors shall be conducted by electronic mail (other than in circumstances where the Adjudicator determines that oral submissions are necessary).
- 6.12** The Scheme Creditor's Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) shall be deemed to have been varied in accordance with the Adjudicator Decision.
- 6.13** Notwithstanding any other provision in this Scheme, the Company is not required to postpone the Restructuring Effective Date in the event that any Disputed Scheme Claim has not been determined by the Adjudicator on or before the Restructuring Effective Date.

## **7 Holding Period Trustee**

- 7.1** For (i) Scheme Creditors (who are not Sanctions-Affected Scheme Creditors) who are not issued any of their Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) on the Restructuring Effective Date; and (ii) Blocked Scheme Creditors who are not allocated any of their Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on the Restructuring Effective Date (each such Scheme Creditor, an "**Unadmitted Scheme Creditor**"), such Unadmitted Scheme Creditor's Aoyuan New Securities Entitlement, Transfer Shares Entitlement, Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement or RSA Fees (Aoyuan New Notes) (as applicable) (the "**Unadmitted Entitlement**", with the Unadmitted Entitlements of all Unadmitted Scheme Creditors being the "**Unadmitted Entitlements**") shall instead be issued and delivered to the Holding Period Trustee on the Restructuring Effective Date in accordance with Clauses 4.3.2(iv)(d) and 4.3.2(vi)(c) (as applicable). The Holding Period Trustee will hold such Unadmitted Entitlement on trust for the relevant Unadmitted Scheme Creditor as part of the Trust Assets held on trust for all Unadmitted Scheme Creditors subject to and pursuant to the terms of the Holding Period Trust Deed, until the Holding Period Expiry Date.
- 7.2** Subject to and in accordance with the terms of the Holding Period Trust Deed and, provided that in each case, the relevant Unadmitted Scheme Creditor has established its entitlement to its share of the relevant Trust Assets by the Bar Time in accordance with the terms of the Holding Period Trust Deed:
- 7.2.1** an Unadmitted Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) may, prior to the Bar Time, make a request in writing for the transfer of its share of the relevant Trust Assets to it (or its Designated Recipient, as applicable) by the Holding Period Trustee, with such Trust Assets to be transferred to that Unadmitted Scheme Creditor (or its Designated Recipient) on or before the Holding Period Expiry Date; and

**7.2.2** an Unadmitted Scheme Creditor who is a Blocked Scheme Creditor, may, prior to the Bar Time, make a request in writing for the allocation of its share of the relevant Trust Assets to it by the Holding Period Trustee, with such Trust Assets to be transferred to the Escrow Agent (to the extent permitted by the Applicable Sanctions) to be held in accordance with the terms of the Escrow Agreement on the Holding Period Expiry Date.

**7.3** If an Unadmitted Scheme Creditor fails to establish its entitlement to the Trust Assets in accordance with the terms of the Holding Period Trust Deed prior to the Bar Time, that Unadmitted Scheme Creditor's rights under this Scheme shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) under this Scheme.

**7.4** Subject to Clause 7.5, no person other than the relevant Unadmitted Scheme Creditor shall at any time whatsoever, either present or future, have any beneficial interest in the Trust Assets, until after the Holding Period Expiry Date.

**7.5** The Holding Period Trustee will, as soon as reasonably practicable after the Holding Period Expiry Date (and provided that it has complied with all properly delivered requests for the transfer of Trust Assets pursuant to Clause 7.2), transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company (or in respect of any Transfer Shares Entitlement only, to any person nominated by the Company) at the Company's cost, and the relevant Unadmitted Scheme Creditors shall have no entitlement to such remaining Trust Assets or any rights or claims against the Company, the Holding Period Trustee or any other person in respect thereto. To the extent that any such remaining Trust Assets transferred to the Company comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Principal Paying Agent or Aoyuan Perpetuals Principal Paying Agent (as applicable) for cancellation.

**7.6** The Scheme Parties acknowledge and agree that the Holding Period Trustee has the power to appoint an additional or replacement trustee over the Trust Assets at any time pursuant to the terms of the Holding Period Trust Deed, subject to any additional or replacement trustee agreeing to be bound by the terms of this Scheme and the Holding Period Trust Deed.

## **8 Distribution to the Escrow Agent**

**8.1** The Company undertakes to enter into an Escrow Agreement and appoint an Escrow Agent to hold the Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement on behalf of any Blocked Scheme Creditors (Participating) and Blocked Scheme Creditors (Residual) for the Escrow Period (to the extent permitted by the Applicable Sanctions) on the earlier of:

**8.1.1** the Restructuring Effective Date, if there are one or more Blocked Scheme Creditors (Participating); or

**8.1.2** the Holding Period Expiry Date, if there are one or more Blocked Scheme Creditors (Residual),

provided, always, that, if there is no Scheme Creditor that constitutes a Blocked Scheme Creditor (Participating) as of the Restructuring Effective Date and there is no Scheme

Creditor that constitutes a Blocked Scheme Creditor (Residual) as of the Holding Period Expiry Date, the Company will have no obligation to enter into such Escrow Agreement or appoint any Escrow Agent under this Clause 8.1.

- 8.2** Subject always to such arrangements being permissible under Applicable Sanctions, and further subject to the terms of the Escrow Agreement, the Company shall put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement upon the lifting of the Applicable Sanctions in respect of any Blocked Scheme Creditors.
- 8.3** Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, any Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement which remain unable to be distributed to Blocked Scheme Creditors in compliance with the Applicable Sanctions will be returned to the Company (or in respect of any Transfer Shares Entitlement only, any person nominated by the Company) in accordance with the terms of the Escrow Agreement. To the extent that the Blocked Aoyuan New Securities Entitlement transferred to the Company comprise Aoyuan New Notes, Aoyuan MCB and Aoyuan Perpetuals, such Aoyuan New Notes, Aoyuan MCB or Aoyuan Perpetuals shall be immediately delivered to the Aoyuan New Notes Paying Agent, Aoyuan MCB Principal Paying Agent or Aoyuan Perpetuals Principal Paying Agent (as applicable) for cancellation. The rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement shall be extinguished on the return of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement to the Company, including any rights of Blocked Scheme Creditors in respect of such Blocked Aoyuan New Securities Entitlements and Blocked Transfer Shares Entitlement.

## **9 Scheme Administrator**

### **Role of the Scheme Administrators**

- 9.1** On the Scheme Effective Date, the Scheme Administrators shall be appointed, with the powers, rights, duties and functions conferred upon them jointly and severally by this Scheme.
- 9.2** The Company acknowledges and agrees that each Scheme Administrator is permitted to exercise all the powers given to the Scheme Administrators and rely upon all the provisions relevant to the Scheme Administrators under the Scheme.
- 9.3** The Scheme Administrators shall discharge the duties and responsibilities imposed upon the Scheme Administrators by the Scheme.
- 9.4** In exercising their powers and carrying out their duties under this Scheme, the Scheme Administrators:
- 9.4.1** shall act as agents of the Company;
  - 9.4.2** shall act in good faith and with due care and diligence in the interests of the Scheme Creditors as a whole, and shall at all times exercise their powers under this Scheme for the purpose of ensuring that it is implemented in accordance with its terms;
  - 9.4.3** shall have only those duties and responsibilities expressly specified in this Scheme and shall not have any implied duties or responsibilities whatsoever; and



- 9.4.4 may refrain from doing anything which would or might in their opinion be contrary to any law, directive or regulation of any applicable jurisdiction and may do anything which is, in their opinion, necessary to comply with any such law, directive or regulation and such Scheme Administrator shall not be liable for any loss occasioned thereby,

provided that the Scheme Administrators cannot exercise any power that would result in them assuming control of the Company's affairs or being regarded as a *de facto* Director of the Company.

#### **Powers of the Scheme Administrators**

- 9.5 The Scheme Administrators shall have the right and power, either in their own names or as agents of the Company or otherwise and in such manner and upon such terms and conditions as they think fit, and either alone or jointly:

- 9.5.1 to have full access to all such information contained or represented in any format whatsoever in the possession or under the control of the Company as they may from time to time require in order to evaluate the Scheme Claims submitted by Scheme Creditors to the Information Agent and Blocked Scheme Creditor Tabulation Agent;
- 9.5.2 to employ and remunerate accountants, actuaries, lawyers and other professional advisers or agents (including their partners and the partners and staff of all associated firms, associations and companies or their successors or any of them) in connection with the evaluation by the Scheme Administrators of Scheme Claims, at the costs of the Company;
- 9.5.3 to delegate in writing to any person all or any of the powers and discretion conferred upon the Scheme Administrators under this Scheme, and from time to time to revoke any such delegation, provided that the Scheme Administrators shall be personally responsible for any act or omission of any such delegate to the same extent as if he/she had expressly authorised it;
- 9.5.4 to apply to the Cayman Court for directions in relation to any particular matter arising under, or in the course of the operation of, this Scheme, at the costs of the Company;
- 9.5.5 to make any payment and distributions which is necessary or incidental to the performance of their functions;
- 9.5.6 to do all other things incidental to the exercise of the foregoing powers; and
- 9.5.7 to exercise any other powers necessary for or incidental to the full and proper implementation of their obligations under this Scheme.

#### **Liability of Scheme Administrators**

- 9.6 Except in the case of fraud, wilful default or wilful misconduct, the Scheme Administrators will not be liable to the Company or any Scheme Creditor for any act or omission by the Scheme Administrators in the performance or purported performance of their powers, rights, duties and functions under this Scheme.
- 9.7 Except to the extent permitted by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by a Scheme Administrator in accordance with, and to implement, the provisions of this Scheme, or the exercise by a Scheme Administrator in good faith of any power conferred upon him or her for the purposes

of the Scheme, if exercised in accordance with, and to implement the provisions of, the Scheme.

#### **Vacation of office**

- 9.8** A Scheme Administrator shall vacate office if he or she:
- 9.8.1** dies;
  - 9.8.2** is convicted of an indictable offence;
  - 9.8.3** resigns his or her office by providing at least two weeks' notice to the Company (or such shorter period of time as may be agreed by the Company);
  - 9.8.4** becomes bankrupt;
  - 9.8.5** is disqualified from membership of a professional body of which he or she is a member;
  - 9.8.6** is mentally incapacitated; or
  - 9.8.7** has a conflict of interest.
- 9.9** If there is no Scheme Administrator in office, the Company shall promptly fill the vacancy and provide written notice to the Scheme Creditors of any such appointment, unless the Scheme Administrator has resigned on grounds that there is no further work to be done by the Scheme Administrator under this Scheme.
- 9.10** The appointment of the Scheme Administrator shall terminate upon the earlier of:
- 9.10.1** the termination of this Scheme in accordance with Clause 15 (*Termination of Scheme*); and
  - 9.10.2** the Restructuring Effective Date.

### **10 Adjudicator**

#### **Role of the Adjudicator**

- 10.1** In the event a Scheme Creditor files a Disputed Scheme Claim Notice in accordance with Clause 6.3 (*Determination of Scheme Claims*), the Company shall (i) appoint a Qualified Person to be an Adjudicator and (ii) give a written notice to the Scheme Creditors of any such appointment(s) and the contact details of each Adjudicator so appointed.
- 10.2** In exercising his powers and carrying out his duties and functions under this Scheme, the Adjudicator:
- 10.2.1** shall act as an expert, and not as an arbitrator, with respect to all matters referred to him or her under Clause 6.5 (*Adjudication of Disputed Scheme Claims*) of the Scheme;
  - 10.2.2** shall act in good faith and with due care and diligence with a view to making an independent adjudication and the final determination of Disputed Scheme Claims referred to them in accordance with the terms of this Scheme; and
  - 10.2.3** shall at all times exercise his or her powers under the Scheme for the purpose of ensuring that it is implemented in accordance with its terms.

### **Powers of the Adjudicator**

- 10.3** The Adjudicator shall have the powers, duties and functions, and the rights, conferred upon him in accordance with Clauses 6.8 to 6.10 of the Scheme.

### **Liability of the Adjudicator**

- 10.4** Except in the case of fraud, wilful default or wilful misconduct, the Adjudicator will not be liable to the Company or any Scheme Creditor for any act or omission by the Adjudicator in the performance or purported performance of his powers, rights, duties and functions under this Scheme.
- 10.5** Except to the extent required by law, no Scheme Creditor shall be entitled to challenge the validity of any act done or omitted to be done in good faith by the Adjudicator in accordance with, and to implement, the provisions of this Scheme, or the exercise by the Adjudicator in good faith of any power conferred upon him or her for the purposes of the Scheme, if exercised in accordance with, and to implement, the provisions of the Scheme.

### **Vacation of office**

- 10.6** The Adjudicator shall vacate office if he or she:
- 10.6.1** dies;
  - 10.6.2** is convicted of an indictable offence;
  - 10.6.3** resigns his or her office by providing at least two weeks' notice to the Company (or such shorter period of time as may be agreed by the Company);
  - 10.6.4** becomes bankrupt;
  - 10.6.5** is disqualified from membership of a professional body of which he is a member;
  - 10.6.6** is mentally incapacitated; or
  - 10.6.7** has a conflict of interest.
- 10.7** In the event the Adjudicator vacates his or her office, the Company shall promptly fill the vacancy and provide written notice to the Scheme Creditors of any such appointment, unless the Adjudicator has resigned on grounds that there is no further work to be done by the Adjudicator under this Scheme.

## **11 Other provisions applicable to the determination of Scheme Claims and Scheme Consideration Entitlements**

### **11.1 Assignments or transfers of Scheme Claims after the Record Date**

- 11.1.1** The Company, the Scheme Administrators, the Chairperson, the Blocked Scheme Creditor Tabulation Agent and the Information Agent shall not be under any obligation to recognise any assignment or transfer of Scheme Claims after the Record Date, and all entitlements of Scheme Creditors (and/or their Designated Recipients, as applicable) under this Scheme shall be determined as at the Record Date, provided that, where the Company has received from the relevant parties written notice of such assignment or transfer, the Company may in its sole and absolute discretion, and subject to the production of such evidence as it may reasonably require and to any other terms and conditions which the Company may consider necessary or

desirable, agree to recognise such assignment or transfer for the purposes of determining Scheme Consideration Entitlements under this Scheme.

- 11.1.2 Any assignee or transferee of interests in the Existing Debt recognised by the Company pursuant to Clause 11.1.1 shall be bound by the terms of this Scheme as a Scheme Creditor and shall produce such evidence as the Company may reasonably require to confirm that it has agreed to be bound by the terms of this Scheme.

## **11.2 Fractional entitlements**

- 11.2.1 Notwithstanding any other provision of this Scheme, all entitlements to the Aoyuan New Securities under this Scheme will be rounded down to the nearest USD1.00, subject to a minimum denomination of USD1,000 and integral multiples of USD1.00 in excess thereof. All entitlements to the Aoyuan New Securities under this Scheme which would have arisen, but for this Clause 11.2.1, shall be disregarded and no cash or other consideration will be due in respect of any such entitlements.
- 11.2.2 Notwithstanding any other provision of this Scheme, the New Shares Entitlements and Transfer Shares Entitlements of the Scheme Creditors under this Scheme shall be rounded to the nearest integer. All entitlements to any New Shares Entitlements and/or Transfer Shares Entitlements under this Scheme which would have arisen, but for this Clause 11.2.2, shall be disregarded and no cash or other consideration will be due in respect of any such entitlements.

## **11.3 Provision of information by Scheme Creditors**

### **Provision of information by Scheme Creditors (who are not Sanctions-Affected Scheme Creditors)**

- 11.3.1 Any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed, and, as applicable, Designated Recipient Form, submitted by or on behalf of any Scheme Creditor shall be submitted in accordance with the instructions set out in the relevant Account Holder Letter, Lender Proxy Form, the Solicitation Packet and this Scheme.
- 11.3.2 Whether an Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Information Agent), provided that, if the Scheme Administrators determine that any such document has not been validly completed, the Scheme Administrators shall (through the Information Agent) promptly send a written statement to the relevant Scheme Creditor through the Scheme Portal indicating their reasons for their determination.
- 11.3.3 The Company may disclose any Account Holder Letter, Distribution Confirmation Deed and Designated Recipient Form, and each of their respective contents (alongside any other information provided by a Scheme Creditor (and its Designated Recipient, as applicable)), on a confidential basis to such persons and such Advisers as are necessary to facilitate the consummation of the Restructuring.
- 11.3.4 Each Scheme Creditor acknowledges that the Information Agent and Scheme Administrators are agents of the Company, and owe no duty or responsibility towards any Scheme Creditor and the Scheme Administrators and the Information Agent will not be responsible for any loss or liability incurred by a Scheme Creditor as a result

of any such determination by the Scheme Administrators (on behalf of the Company and in consultation with the Information Agent) pursuant to Clauses 6 (*Determination and adjudication of Scheme Claims*) and 11.3.2, except to the extent that such loss or liability is incurred by a Scheme Creditor and is attributable to fraud, wilful default or wilful misconduct on the part of the Scheme Administrators or Information Agent.

**Provision of information by Blocked Scheme Creditors**

- 11.3.5 Any Blocked Scheme Creditor Form shall be submitted in accordance with the instructions set out in the relevant Blocked Scheme Creditor Form, the Solicitation Packet and this Scheme.
- 11.3.6 Whether a Blocked Scheme Creditor Form has been validly completed shall be determined by the Scheme Administrators at their discretion (on behalf of the Company and in consultation with the Blocked Scheme Creditor Tabulation Agent), provided that, if the Scheme Administrators and/or Blocked Scheme Creditor Tabulation Agent determines that any such document has not been validly completed, the Blocked Scheme Creditor Tabulation Agent shall promptly send by email a notification with a written statement of its reasons for its determination to the party that provided the relevant document.
- 11.3.7 The Company may disclose any Account Holder Letter, Lender Proxy Form, Blocked Scheme Creditor Form and its contents (alongside any other information provided by a Blocked Scheme Creditor), on a confidential basis to such persons and such Advisers as are necessary to facilitate the consummation of the Restructuring.
- 11.3.8 The Scheme Administrators, the Chairperson and the Blocked Scheme Creditor Tabulation Agent will not be responsible for any loss or liability incurred by a Blocked Scheme Creditor as a result of any such determination by the Scheme Administrators, the Chairperson and/or the Blocked Scheme Creditor Tabulation Agent (on behalf of the Company and in consultation with the Blocked Scheme Creditor Tabulation Agent) pursuant to Clauses 6 (*Determination and adjudication of Scheme Claims*) and 11.3.6, except to the extent that such loss or liability is incurred by a Blocked Scheme Creditor and is attributable to the fraud, wilful default or wilful misconduct on the part of the Scheme Administrators, Chairperson or the Blocked Scheme Creditor Tabulation Agent.

**11.4 Calculations by the Scheme Administrators, Chairperson, Information Agent and the Blocked Scheme Creditor Tabulation Agent**

- 11.4.1 In carrying out all of the calculations to be performed by them in accordance with this Scheme (and which are to be confirmed by the Company), the Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent:
  - (i) shall be entitled to rely in good faith upon information and documents supplied to it prior to the applicable deadline(s), including, in the case of the Scheme Administrators, the Chairperson and the Information Agent, the Account Holder Letters, Distribution Confirmation Deeds and Designated Recipient Forms (as applicable), and in the case of the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor Forms;

- (ii) may, but are not required to, take account of any information or documents supplied to them after any applicable deadline for the provision of such information; and
  - (iii) shall work in consultation with each other and the Company, as appropriate.
- 11.4.2 To the extent permitted by applicable law, and subject to Clause 6.3 (*Determination of Scheme Claims*), any calculation performed by the Scheme Administrators, the Information Agent or the Blocked Scheme Creditor Tabulation Agent (on behalf of the Company) in accordance with this Scheme shall (in the absence of manifest error) be final and binding.
- 11.4.3 The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent shall not be liable or responsible for any liabilities or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Scheme and shall bear no obligation or responsibility to any person in respect of this Scheme unless such liability arises as a result of fraud, wilful default or wilful misconduct. The Company has retained the Information Agent to provide the information agent services described herein (subject to the terms of a separate agreement between the Company and the Information Agent). The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent are each an agent of the Company and each owe no obligation towards or relationship of agency or trust with any third party or any other party (including, without limitation, the Scheme Creditors) in respect of the performance of their duties as Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable). The Scheme Administrators, the Chairperson, the Information Agent and the Blocked Scheme Creditor Tabulation Agent shall be obligated to perform such duties and only such duties as are specifically set forth in this Scheme, the Explanatory Statement and the Solicitation Packet. No implied duties or obligation shall be read into the aforesaid documents against the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent. The Information Agent and the Blocked Scheme Creditor Tabulation Agent shall not be under any duty to inquire into or investigate the validity, accuracy or content of any instruction from the Company or Scheme Creditor and may rely conclusively thereon.
- 11.4.4 The Information Agent is not required to monitor compliance or performance by the Company or the Scheme Creditors of their respective duties and obligations. The Information Agent will only check such claims set out in the Account Holder Letters and Lender Proxy Forms submitted against Custody Instructions and against the records of Scheme Creditors provided to the Information Agent by the Company. The Information Agent will assist the Company, the Chairperson and the Scheme Administrator in checking the voting values of each Scheme Creditor (who is not a Blocked Scheme Creditor) based on such information. Otherwise, the Information Agent has no duty to calculate or verify any amounts in relation to this Scheme. For the avoidance of doubt, the Information Agent does not validate or assess Scheme Claims.
- 11.4.5 None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person are required to monitor compliance or performance by the Company or the

Scheme Creditors of their respective duties and obligations. It is the sole responsibility of each Scheme Creditor to ensure that any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) submitted in respect of its Scheme Claim has been validly completed, including the Accession Code, if applicable and that any Custody Instruction has been validly submitted via the Clearing Systems.

- 11.4.6 None of the Scheme Administrators, the Chairperson, the Holding Period Trustee, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any other person will be responsible for any loss or liability incurred by a Scheme Creditor as a result of any determination by the Scheme Administrators, the Chairperson, the Holding Period Trustee or the Blocked Scheme Creditor Tabulation Agent that the Account Holder Letter and/or Lender Proxy Form or Blocked Scheme Creditor Form have not been validly and duly completed.
- 11.4.7 Notwithstanding anything to the contrary and under no circumstances will the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent be liable for any special, punitive, indirect or consequential loss or damage (including, without limitation, for any loss of business, goodwill, opportunity or profit) of any kind whatsoever, in each case howsoever caused or arising, directly or indirectly, and whether or not foreseeable, even if it is actually aware or has been advised of the possibility of such loss or damage and regardless of the form of action. This protection shall survive the resignation or removal of the Scheme Administrators, the Chairperson, the Information Agent or the Blocked Scheme Creditor Tabulation Agent.
- 11.4.8 Neither the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is obliged, under the terms of this Scheme or otherwise, to engage in any transaction or conduct that may give rise to a liability under or in connection with Applicable Sanctions and/or may result in any person becoming targeted by Applicable Sanctions.
- 11.4.9 If compliance with any obligations under the terms of this Scheme or otherwise would result in the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their directors, officers, employees, agents, affiliates or advisers breaching the Blocking Regulation, that obligation need not be complied with (but only to the extent of the breach).

## **12 Releases and waivers**

- 12.1 Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), all of the rights, title and interest of:
  - 12.1.1 each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities); and
  - 12.1.2 each Existing Debt Administrative Party to any claims they have or may have under any of the Existing Debt Finance Documents or any parallel debt covenants (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of this Scheme and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assigns (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Debts or otherwise all or any part of its Scheme Claims after the Record Date).

- 12.2** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), each Scheme Creditor (to the extent it has not already done so pursuant to Clause 12.1 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

**12.2.1** the China Aoyuan Offshore Group; and

**12.2.2** each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent; and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above in this Clause 12.2, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents; (ii) the Scheme Claims; and/or (iii) the negotiation, preparation, implementation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme (including, without limitation, this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

- 12.3** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or



disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfiled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel and Affiliates and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

- 12.4** Subject to Clause 12.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in Clause 4.3.2(ix), each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

- 12.4.1** the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);
- 12.4.2** the negotiation, preparation, implementation and/or consummation of this Scheme, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or
- 12.4.3** the execution of this Scheme, the Restructuring Documents or any other documents required in order to implement this Scheme, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in this Scheme, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

- 12.5** Nothing in this Clause 12 shall:

- 12.5.1** in any way impair or prejudice any rights of any Scheme Creditor arising under this Scheme or any Restructuring Document (including as a consequence of non-compliance with the terms of this Scheme or the Restructuring Documents);
- 12.5.2** (without prejudice to the generality of Clause 12.5.1 above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the Scheme and/or any Restructuring Documents;
- 12.5.3** extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;

- 12.5.4 apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to, under or in connection with the Existing Debt Finance Documents, the Scheme or the Restructuring;
- 12.5.5 apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring; or
- 12.5.6 release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

- 12.6 The waivers, releases and discharges granted under this Clause 12 shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.

### **13 Exclusion of liability and indemnity**

- 13.1 To the extent permitted by law, no Scheme Creditor (or its Designated Recipient, as applicable) or the Company shall be entitled to challenge the validity of any act done or omitted to be done in good faith by any of the Advisers, each of the Existing Debt Administrative Parties, each of the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, each of the Deed of Subordination Parties and the Holding Period Trustee (or any of their respective authorised signatories, directors, agents, employees and/or delegates) (the "**Excluded Persons**") in connection with their actions or omissions pursuant to the provisions of this Scheme or the exercise by any of the Excluded Persons in good faith of any power conferred upon them for the purposes of this Scheme if exercised in good faith in accordance with the provisions of this Scheme. For the avoidance of doubt, no Excluded Person shall be liable for any cost, loss or liability in connection with this Scheme unless such loss is attributable to its fraud, wilful default or wilful misconduct.
- 13.2 With respect to the Scheme Creditors or any other person affected or bound by this Scheme, each Existing Debt Administrative Party undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in this Scheme and the Existing Debt Finance Documents. The Holding Period Trustee shall have only those duties, obligations and responsibilities expressly specified in this Scheme and the Holding Period Trust Deed and no others shall be implied.
- 13.3 Nothing in this Scheme shall impose any obligation on any of the Existing Debt Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Escrow Agent, the Holding Period Trustee and/or the Aoyuan New Securities Administrative Parties to expend its own funds or pay any amount out of its personal assets with respect to any claims made by a Scheme Creditor as a result of any of such parties taking any of the steps contemplated by this Scheme and executing any releases of any guarantees pursuant to each Deed of Release except to the extent that the same arises from its fraud, wilful default or wilful misconduct.

- 13.4** None of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator, the Holding Period Trustee and/or their respective directors, officers, employees, agents and advisers (i) shall be responsible for providing any advice to any Scheme Creditor in relation to this Scheme; (ii) expresses any opinion on the merits of this Scheme or the terms of the Aoyuan New Securities; (iii) has been involved in negotiating or determining the terms of this Scheme; (iv) makes any representation that all relevant information has been disclosed to the Scheme Creditors in or pursuant to this Scheme; (v) has verified, or assumes any responsibility or liability for the accuracy or completeness of any of the information concerning this Scheme, or any factual statements contained in, or the effect or effectiveness of, this Scheme; and (vi) shall be personally responsible or accountable in damages or otherwise to any Scheme Creditor or any other person affected or bound by this Scheme for any loss, damage or claim incurred by reason of any act or omission performed or omitted, or to be performed or omitted, by any of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent or the Holding Period Trustee in good faith in accordance with this Scheme.
- 13.5** None of the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson and/or their respective directors, officers, employees, agents and advisers will (i) have any tortious, contractual or any other liability to any person in connection with the determination of whether a Scheme Creditor is a Sanctions-Affected Scheme Creditor; or (ii) accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from the determination of whether a Scheme Creditor is a Sanctions-Affected Scheme Creditor, even if they have been advised of the possibility of such damages.
- 13.6** None of the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator or the Holding Period Trustee shall be personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any Scheme Creditors or any other person affected or bound by this Scheme, with all such liability, if any, being expressly waived by any such persons claiming by, through or under any of the foregoing.
- 13.7** Each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator and the Holding Period Trustee shall at all times be entitled to and may rely on any document, notice, consent, order, opinion or certificate given, issued or granted by any person or court that it reasonably believes to be genuine and correct pursuant to this Scheme without being under any obligation to enquire or otherwise determine whether any such notice, consent, order, opinion or certificate is adequate, accurate and/or complete and has been given or granted in accordance with applicable laws or any contractually binding obligation and without being under any responsibility or being under any obligation to validate the legality, effectiveness, completeness, adequacy or enforceability of the Restructuring that is to be implemented as a consequence of this Scheme.

- 13.8** The Company shall hold each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator and the Holding Period Trustee and each of their respective directors, officers, employees, agents and advisers harmless from, and shall indemnify each Existing Debt Administrative Party, each Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson, the Adjudicator and the Holding Period Trustee from and against, any claims, damages, charges, losses, liabilities, costs and expenses which may be incurred by any Existing Notes Administrative Party, any Aoyuan New Securities Administrative Party, the Information Agent, the Escrow Agent, the Blocked Scheme Creditor Tabulation Agent or the Holding Period Trustee (as applicable), or asserted or awarded taking any of the steps contemplated by this Scheme by any such person except to the extent that the same arises from the fraud, wilful default or wilful misconduct of any such person.
- 13.9** Nothing in this Clause 13 shall (i) prevent a Scheme Creditor from pursuing or taking any action in relation to an Allowed Proceeding; or (ii) impair or prejudice any rights of any Scheme Creditor in respect of the obligations or potential liability of any Add Hero Notes Administrative Party or the Holding Period Trustee arising under any Restructuring Document on or after the Restructuring Effective Date.

## **14 Stay of Proceedings**

- 14.1** From the Scheme Effective Date, but subject to the termination of this Scheme pursuant to Clause 15 (*Termination of Scheme*) or otherwise, no Scheme Creditor shall commence, continue, support any person commencing, continuing or supporting, or instruct any person to commence, continue, support or take, any Proceeding against any Restructuring Released Party in respect of any claims or Liabilities that are to be released in accordance with Clause 12 (*Releases and waivers*) and the Deeds of Release, provided that nothing in this Clause 14 shall prevent a Scheme Creditor from pursuing or taking any action in relation to an Allowed Proceeding.
- 14.2** For the avoidance of doubt, and notwithstanding any other provision of this Scheme or the Deeds of Release:
- 14.2.1** subject to any applicable contractual restrictions, a Scheme Creditor may commence a proceeding against the Company after the Restructuring Effective Date in respect of claims or Liabilities that are not to be released in accordance with Clause 12 (*Releases and waivers*) and the Deeds of Release; and
  - 14.2.2** a Scheme Creditor may commence a proceeding against the Company to compel the Company to perform its obligations under this Scheme.

## **15 Termination of Scheme**

- 15.1** If the Restructuring Effective Date has not occurred, and:
- 15.1.1** the steps outlined in Clauses 4.3.2(i) to 4.3.2(ix) (inclusive) have not been completed by the Longstop Date;
  - 15.1.2** this Scheme becomes incapable of being implemented and the Restructuring Effective Date is incapable of occurring before the Longstop Date (as may be

modified in accordance with Clauses 16.1 to 16.3 (*Modification of this Scheme*)) as a result of the occurrence of any of the events set out below:

- (i) an Insolvency Event;
- (ii) a change in law or regulation in respect of any matter, including any change which results in there being no reasonable prospects of the Company and/or Add Hero successfully registering and/or filing an application in respect of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB, the Aoyuan Perpetuals and the New Shares with the NDRC and/or CSRC (as applicable), occurs;
- (iii) the ordinary shares of the Company or Healthy Life are suspended from trading on the HKEX for more than seven days;
- (iv) any Key Entity and/or Key Person becomes the subject of an investigation or criminal proceedings commenced or conducted by a regulatory or governmental body;
- (v) any Key Entity ceases, suspends, or threatens to cease or suspend the conduct of all or substantially all of its business or disposes of or threatens to dispose of substantially all of its assets;
- (vi) any consent, approval or authorisation necessary for the effectuation of the Scheme has been rejected in writing (or otherwise refused or denied), and there are no reasonable prospects of such consent, approval or authorisation being obtained, or the Company is unable to comply with conditions necessary to obtain such consent, approval or authorisation, including rejection in writing by the NDRC of the Company's application for registration of the Aoyuan New Securities (as applicable);
- (vii) the Company's ability to conduct its business is limited or wholly curtailed as a result of any seizure, expropriation or nationalisation of its assets by any regulatory or governmental authority; or
- (viii) the Add Hero Schemes are terminated in accordance with their terms;

**15.1.3** the Company breaches any material term of this Scheme and fails to remedy this for a period of 30 days; or

**15.1.4** the Company determines or forms the belief (in its sole discretion, acting reasonably and in good faith) that this Scheme is no longer capable of being implemented,

then this Scheme shall terminate and shall be construed as if it had never become effective, and the rights and obligations of the Scheme Creditors under the Existing Debt Finance Documents shall not be affected and shall remain in full force and effect, and each Scheme Creditor shall be entitled to exercise any and all of its rights, powers and remedies against the Company under the terms and conditions of the Existing Debt Finance Documents and the Restructuring Support Agreement.

**15.2** Upon the termination of this Scheme, to the extent permitted by applicable law, all Restructuring Steps will not or will be deemed not to have occurred and any actions taken under or pursuant to Clause 4 (*Effect of the Scheme*) shall have no valid or binding effect. To the extent permitted by applicable law, all relevant parties agree to take such steps as are necessary and/or desirable to reverse any such steps that have already occurred in

order to restore the parties to the position they were in before the steps occurred, provided that no party shall be required to incur any out-of-pocket costs or expenses.

- 15.3** Notwithstanding any other provision of this Scheme, the rights (and obligations) of the Scheme Parties under Clause 13 (*Exclusion of liability and indemnity*), this Clause 15, Clause 17 (*Costs and expenses*), Clause 18 (*Notices*), Clause 19 (*Third parties*) and Clause 20 (*Governing law and jurisdiction*) shall survive termination of this Scheme.

## **16 Other provisions applicable to this Scheme**

### **Modification of this Scheme**

- 16.1** The Company may at any time before the occurrence of the earlier of the Restructuring Effective Date, the Longstop Date or the termination of this Scheme, amend the Longstop Date (whether pursuant to a single extension or multiple extensions) (each extension being a "**Longstop Date Extension**"), provided that:

**16.1.1** the Majority Scheme Creditors vote in favour of such Longstop Date Extension, whether in person or by proxy, at a meeting of the Scheme Creditors or otherwise; and

**16.1.2** the Company gives the Scheme Creditors no less than 14 calendar days' prior written notice of such meeting in accordance with Clause 18 (*Notices*).

If any Scheme Creditor fails to respond to a request made in accordance with this Clause 16.1 for an extension to the Longstop Date at a meeting of the Scheme Creditors or otherwise, then, for the purpose of determining if the Majority Scheme Creditors have consented to an extension to the Longstop Date, then such Scheme Creditor's Existing Debt shall not be included for the purpose of calculating the value of the aggregate principal amount of the Scheme Claims held by the Scheme Creditors.

- 16.2** On the identification of a Sanctioned Scheme Creditor, including where a Scheme Creditor becomes a Sanctioned Scheme Creditor while this Scheme is in effect:

**16.2.1** the Company may modify this Scheme and/or any Restructuring Document to the extent reasonably necessary and in a manner to ensure that the Scheme is not contrary to any Applicable Sanctions (and is authorised to instruct the Existing Debt Administrative Parties (in the sole opinion of the relevant Existing Debt Administrative Party) and any other administrative party as required, in order to achieve the same); and

**16.2.2** each of the Aoyuan New Securities Administrative Parties and any other administrative party as required, is authorised to make any amendment to the Aoyuan New Securities Documents and take any action necessary or desirable to give effect to a modification to such Aoyuan New Securities Documents on and following written notice from the Company that such modification is reasonably necessary to ensure that the Scheme is not contrary to the Applicable Sanctions, which the Aoyuan New Securities Administrative Parties and any other administrative party as required are entitled to rely on conclusively.

- 16.3** Each Scheme Creditor acknowledges that the Company may have, before or at any hearing of the Cayman Court to sanction this Scheme, consented on behalf of all Scheme Creditors to any modification of, or addition to, the proposed Scheme (at Appendix 3 of the Explanatory Statement), any Restructuring Document or to any terms or conditions that the Cayman

Court saw fit to approve or impose, provided that such modifications or additions were otherwise necessary for the purpose of implementing the Restructuring, and could not have reasonably been expected to, directly or indirectly, have a material adverse effect on the interests of any Scheme Creditor under this Scheme.

#### **16.4 Waiver of provisions of this Scheme**

No waiver proposed by the Company and/or any Scheme Creditor (including any waiver of any Restructuring Condition) shall be permitted under this Scheme, save with: (i) the consent in writing of the Majority Scheme Creditors; and (ii) where the beneficiary of any clause being waived is not the Scheme Creditors, the consent in writing of that person or entity.

#### **16.5 Foreign representative**

Guo Zi Wen, a director of the Company, or such other board member or representative of the Company as the Company may deem appropriate (in its sole discretion) shall be authorised to act as the representative of the Company on and in connection with any application for recognition and assistance in relation to this Scheme in any jurisdiction and under whatever law.

#### **16.6 Application to the Cayman Court for directions**

Without prejudice to any rights that the Company may otherwise have in connection with this Scheme or any aspect of it and notwithstanding any other provision of this Scheme, the Company shall be entitled to make an application to the Cayman Court for directions at any time in connection with any matter arising under or in relation to this Scheme.

#### **16.7 Exercise of discretion**

Where, under or pursuant to any provision of this Scheme, a matter is to be determined by the Scheme Administrators or Chairperson (each on the Company's behalf), as the case may be, it shall be determined by them in their discretion in such manner as they may consider fair and reasonable. If any difficulty shall arise in determining any such matter either generally or in any particular case or in ensuring the result described above, it shall be resolved by the Scheme Administrators or Chairperson (each on the Company's behalf), as the case may be, in such manner as is fair and reasonable and their decision shall, insofar as permitted by law and subject to the provisions of this Scheme, be final and binding on all concerned.

#### **16.8 Performance of obligations on dates other than a Business Day**

If any obligation is to be performed under the terms of this Scheme on a date other than a Business Day and is not capable of being performed on such date, the relevant obligation shall be performed on the next Business Day.

#### **16.9 Delegation**

**16.9.1** The Company may perform its rights, powers, duties, discretions and/or obligations through such one or more authorised signatories, acting jointly or severally, as it may appoint from time to time.

**16.9.2** The Company may also delegate its rights, powers, duties, discretions and/or obligations (including the execution and delivery of any document or instrument) to any person it deems appropriate, in its sole discretion.

#### **16.10 Scheme subject to provisions of mandatory law**

This Scheme shall take effect subject to any prohibition or condition imposed by law.

#### **17 Costs and expenses**

The Company agrees to be responsible for and shall pay all fees, costs and expenses properly incurred by the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Scheme Administrators, the Chairperson and the Advisers, in connection with any and/or all actions taken or which shall be taken pursuant to this Scheme, including (without limitation) any and/or all actions taken or which shall be taken pursuant to the Restructuring Steps and the distribution of the Scheme Consideration Entitlements (provided that, with respect to each party, the relevant fees, costs and expenses have been incurred in accordance with the Existing Debt Finance Documents or such other arrangement as may have been agreed between the Company and that party).

#### **18 Notices**

**18.1** Any notice or other written communication to be given under or in relation to this Scheme shall be given in the English language in writing and shall be deemed to have been duly given if it is: (i) delivered by hand; (ii) sent by email (or other electronic means in the case of a Clearing System); (iii) posted on the Transaction Website; (iv) sent by fax; (v) sent by pre-paid recorded delivery or international courier to the address or email address as set out below (or as may be notified by notice to the Scheme Creditors from time to time); or (vi) in relation to any notice to be given to the Scheme Creditors that are Existing Noteholders only, through a corporate action notice through the Clearing Systems and the Existing Public Notes Trustee.

**18.2** The addresses for notices are as follows:

**18.2.1** in the case of the Company, to Linklaters at the email address:  
[dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com);

**18.2.2** in the case of a Scheme Creditor, to its last known address or email address according to the Company, provided that all deliveries of notices required to be made by this Scheme shall be effective by sending via email or posting the same in pre-paid envelopes addressed to the Scheme Creditors or, if so directed by the Scheme Creditors, to the relevant Account Holder for the persons respectively entitled thereto at the addresses appearing in the relevant Account Holder Letter, Lender Proxy Form, Blocked Scheme Creditor Form or to such other addresses (if any) as such persons may respectively direct in writing; and

**18.2.3** in the case of any other person, to any address or email address set forth for that person in any agreement entered into in connection with this Scheme or the last known address according to the Company or by fax to its last known fax number according to the Company.

**18.3** Any notice or other written communication to be given under this Scheme shall be deemed to have been served:

**18.3.1** at the time of delivery if delivered personally;

**18.3.2** at the time of transmission if sent by email;



- 18.3.3** on the first Business Day after transmission if sent through the Clearing Systems;
  - 18.3.4** two Business Days after the time and date of posting if sent by pre-paid recorded delivery, or five Business Days after the time and date of posting if the recipient is not in the country of despatch by pre-paid recorded delivery;
  - 18.3.5** five Business Days after the time and date of posting if sent by international courier; or
  - 18.3.6** when the recipient received (or is deemed to have received) the notice or other written communication through access of the Transaction Website.
- 18.4** The accidental omission to send any notice, written communication or other document in accordance with Clauses 18.1 to 18.3, or the non-receipt of any such notice by any Scheme Creditor, shall not affect the provisions of this Scheme.
- 18.5** The Company shall not be responsible for any loss or delay in the transmission of any notices, other documents or payments posted by or to any Scheme Creditor which shall be posted at the risk of the Scheme Creditors.
- 18.6** For the avoidance of doubt, this Clause 18 shall not apply to the documents set out in the Solicitation Packet and the Holding Period Trust Deed, which should be completed and submitted in accordance with the instructions set out therein.

## **19 Third parties**

- 19.1** Subject to Clause 19.2, a person who is not a party to this Scheme has no right under the Contracts (Rights of Third Parties) Act 2014 to enforce any of its terms.
- 19.2** The Protected Parties may enforce this Scheme in accordance with the Contracts (Rights of Third Parties) Act 2014.
- 19.3** Notwithstanding any term of the Scheme, the consent of any person who is not a party is not required to rescind or vary this Scheme at any time.

## **20 Governing law and jurisdiction**

This Scheme and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, the laws of the Cayman Islands and each of the Scheme Creditors hereby agrees that the Cayman Court shall have exclusive jurisdiction to hear and determine any suit, action or Proceeding and to settle any dispute which may arise out of the Explanatory Statement or any provision of this Scheme, or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme, and, for such purposes, each of the Scheme Creditors irrevocably submits to the jurisdiction of the Cayman Court, provided, however, that nothing in this Clause 20 shall affect the validity of other provisions regarding governing law and jurisdiction as between the Company and any of the Scheme Creditors, whether contained in any contract (including any Restructuring Document) or otherwise.

## Schedule 1 Definitions and interpretation

### Part A Definitions

Unless the context requires otherwise or a specific provision otherwise expressly provides to the contrary, capitalised terms in this Scheme shall have the meanings given to them below:

**"Accession Code"** means a unique code provided by the Information Agent to a Consenting Creditor following its valid accession to or valid execution of the Restructuring Support Agreement, and which must be included by (i) the relevant Account Holder on such Consenting Creditor's Account Holder Letter; and/or (ii) the Consenting Creditor on its Lender Proxy Form;

**"Account Holder"** means a person who holds a Book-Entry Interest;

**"Account Holder Letter"** means a letter from an Account Holder on behalf of the relevant Scheme Creditor substantially in the form of, as the context requires:

- (a) in respect of the Existing Public Notes, the account holder letter set out in Schedule 1 (*Account Holder Letter (Existing Public Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Private Notes, the account holder letter set out in Schedule 2 (*Account Holder Letter (Existing Private Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Public Notes, the holding period account holder letter set out in Schedule 3 (*Holding Period Account Holder Letter (Existing Public Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time; or
- (d) in respect of the Existing Private Notes, the holding period account holder letter set out in Schedule 4 (*Holding Period Account Holder Letter (Existing Private Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time,

including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal, provided, in each case, that the Scheme Administrators (in consultation with the Information Agent and acting on behalf of the Company) shall have discretion to accept a purported Account Holder Letter (which contains substantially the information required in respect of such Account Holder Letter) even if such letter deviates from the aforementioned forms;

**"Add Hero"** means Add Hero Holdings Limited;

**"Add Hero BVI Scheme"** means the scheme of arrangement to be effected between Add Hero and certain of its creditors pursuant to section 179A of the Business Companies Act, 2004 of the BVI for the purposes of implementing the Restructuring, substantially in the form attached at Appendix 3 to the Add Hero Explanatory Statement, subject to any modification, addition or condition which the BVI Court may think fit to approve or impose, as appropriate;

**"Add Hero BVI Scheme Sanction Order"** means the sealed copy of the sanction order granted by the BVI Court in respect of the Add Hero BVI Scheme;

**"Add Hero Explanatory Statement"** means the composite document dated 7 November 2023 issued by Add Hero and addressed to certain of its creditors, containing, among other things, the explanatory statement of Add Hero in relation to its proposed schemes of arrangement under section 179A of the Business Companies Act, 2004 of the BVI and Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purpose of implementing the Restructuring, and the terms of such schemes of arrangement (including all appendices, schedules and annexures thereto);

**"Add Hero HK Scheme"** means the scheme of arrangement to be effected between Add Hero and certain of its creditors pursuant to Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purposes of implementing the Restructuring, substantially in the form attached at Appendix 2 to the Add Hero Explanatory Statement subject to, any modification, addition or condition which the HK Court may think fit to approve or impose, as appropriate;

**"Add Hero HK Scheme Sanction Order"** means the sealed copy of the sanction order granted by the HK Court in respect of the Add Hero HK Scheme;

**"Add Hero Notes"** means the new secured notes in the aggregate principal amount of USD1,800,000,000 to be issued by Add Hero as scheme consideration in the Add Hero HK Scheme and the Add Hero BVI Scheme;

**"Add Hero Scheme Effective Date"** means the later of:

- (a) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and
- (b) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme;

**"Add Hero Schemes"** means, collectively, the Add Hero HK Scheme and the Add Hero BVI Scheme;

**"Additional Consenting Creditors"** means an Existing Noteholder and/or an Existing Lender, who has agreed to be bound by the terms of the Restructuring Support Agreement as a Consenting Creditor in accordance with the terms of the Restructuring Support Agreement;

**"Ad Hoc Group"** means the ad hoc group of holders of the Existing Public Notes or the investment managers or investment advisers to such holders, who are Initial Consenting Creditors (as defined therein) under the Restructuring Support Agreement, as constituted from time to time and notified to the Company;

**"Adjudicator"** means the person appointed by the Company pursuant to Clause 10 (*Adjudicator*) of this Scheme;

**"Adjudicator Decision"** means the written decision of the Adjudicator setting out his or her decision on a Disputed Scheme Claim, which shall be final and binding on the relevant Scheme Creditor, the Scheme Administrators and the Company, insofar as the law allows, and there shall be no right of challenge or appeal from the decision of the Adjudicator;

**"Advisers"** means (as applicable):

- (a) KPMG Advisory (China) Limited and its Affiliates, as financial adviser to the Company;
- (b) Linklaters, Harney Westwood & Riegels, LP, ETR Law Firm and each of their Affiliates, in each case, as legal advisers to the Company;
- (c) Moelis & Company Asia Limited and its Affiliates, as financial advisers to the Ad Hoc Group;

- (d) Weil, Gotshal & Manges and its Affiliates, as legal advisers to the Ad Hoc Group;
- (e) PricewaterhouseCoopers Limited and its Affiliates, as financial advisers to the CoCom;
- (f) Allen & Overy and its Affiliates, as legal advisers to the CoCom;
- (g) Allen & Overy and its Affiliates, as legal advisers to the Existing Public Notes Administrative Parties; and
- (h) any successor professional advisers to the foregoing, the foregoing's partners, employees and affiliated partnerships and undertakings and the partners and employees of such affiliated partnerships and undertakings and their respective Subsidiaries and holding companies and any local counsel engaged;

**"Affiliate"** means: (a) in respect of any person, its current employer; and (b) in respect of any person or entity, its current and former Subsidiaries, parent companies, holding companies, partners, principals, limited partners, managers, investment advisers, equity holders, members, managing members, directors, officers, employees, associates or analysts, and any of their respective current or former Subsidiaries, parent companies, holding companies, partners, principals, limited partners, managers, investment advisers, equity holders, members, managing members, directors, officers, employees, associates or analysts;

**"Allowed Proceeding"** means: (a) any Proceeding by a Scheme Creditor to enforce its rights under or in connection with this Scheme and/or compel the Company or any other person to perform its obligations under this Scheme; and (b) any Proceeding by a Scheme Creditor pursuant to or in connection with any Excluded Claim;

**"Aoyuan MCB"** means the new zero coupon mandatory convertible bonds due 2028 in the principal amount of USD143,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan MCB Trust Deed and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Agency Agreement"** means the paying, conversion and transfer agency agreement to be entered into between, among others, the Company, the Aoyuan MCB Principal Conversion and Transfer Agent, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar and the Aoyuan MCB Trustee, in substantially the form attached at Appendix 12A (*Form of Aoyuan MCB Agency Agreement*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Calculation Agent"** means Conv-Ex Advisors Limited in its capacity as "Calculation Agent" under the Aoyuan MCB Calculation Agency Agreement, including any of its successors;

**"Aoyuan MCB Calculation Agency Agreement"** means the calculation agency agreement to be entered into between the Company and the Aoyuan MCB Calculation Agent, relating to the Aoyuan MCB;

**"Aoyuan MCB Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems;

**"Aoyuan MCB Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan MCB issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to

the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan MCB Global Certificates"** means the global certificate(s) in respect of the Aoyuan MCB in substantially the form set out in Part A of Schedule 1 (*Form of Global Certificates*) to the Aoyuan MCB Trust Deed and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Principal Conversion and Transfer Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Conversion and Transfer Agent" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Principal Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Paying Agent" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Registrar"** means Madison Pacific Trust Limited in its capacity as "Registrar" under the Aoyuan MCB Agency Agreement, including any of its successors;

**"Aoyuan MCB Trust Deed"** means the trust deed to be entered into between, among others, the Company and the Aoyuan MCB Trustee pursuant to which the Aoyuan MCB are to be issued, in substantially the form attached at Appendix 12 (*Form of Aoyuan MCB Trust Deed*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan MCB Trustee"** means Madison Pacific Trust Limited in its capacity as "Trustee" under the Aoyuan MCB Trust Deed, including any of its successors;

**"Aoyuan New Notes"** means the new 5.5% secured notes due 2031 in the principal amount of USD500,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Collateral Agency Agreement"** means the collateral agency agreement to be entered into between, among others, the Company, the Aoyuan New Notes Trustee, the Aoyuan New Notes Collateral Agent and Main Trend Limited on the Restructuring Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Collateral Agent"** means the Madison Pacific Trust Limited in its capacity as "Collateral Agent" under the Aoyuan New Notes Collateral Agency Agreement, including any of its successors;

**"Aoyuan New Notes Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems, acting through its nominee as registered holder of each of the Aoyuan New Notes;

**"Aoyuan New Notes Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan New Notes issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan New Notes Global Notes"** means the global note(s) in respect of the Aoyuan New Notes in substantially the form set out in Exhibit B (*Form of Global Note*) to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Indenture"** means the indenture to be entered into between, among others, the Company and the Aoyuan New Notes Trustee pursuant to which the Aoyuan New Notes are to be issued, in substantially the form attached at Appendix 11 (*Form of Aoyuan New Notes Indenture*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Obligors"** means the Company and Main Trend Limited;

**"Aoyuan New Notes Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Paying Agent" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Notes Paying Agent and Registrar Appointment Letter"** means the paying agent and registrar appointment letter to be entered into between, among others, the Company, the Aoyuan New Notes Paying Agent, the Aoyuan New Notes Registrar and the Aoyuan New Notes Trustee, set out in Exhibit D (*Form of Paying Agent and Registrar Appointment Letter*) to the Aoyuan New Notes Indenture and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Registrar"** means Madison Pacific Trust Limited in its capacity as "Registrar" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Notes (Scheme Consideration)"** means USD400,000,000 in principal amount of the Aoyuan New Notes;

**"Aoyuan New Notes Security Document"** means:

- (a) the Hong Kong law governed security agreement entered or to be entered into by Main Trend Limited as chargor in favour of the Aoyuan New Notes Collateral Agent in respect of certain shares in Aoyuan Healthy Life Group Company Limited and (if applicable) the custodian account(s) in which such shares are held; and
- (b) the Hong Kong law governed assignment of an intercompany loan made by Main Trend Limited to China Aoyuan Group Limited entered or to be entered into by Main Trend Limited in favour of the Aoyuan New Notes Collateral Agent,

each of which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan New Notes Trustee"** means Madison Pacific Trust Limited in its capacity as "Trustee" under the Aoyuan New Notes Indenture, including any of its successors;

**"Aoyuan New Securities"** means, collectively, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals;

**"Aoyuan New Securities Administrative Parties"** means:

- (a) in respect of the Aoyuan New Notes, the Aoyuan New Notes Collateral Agent, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan New Notes Paying Agent and the Aoyuan New Notes Registrar;
- (b) in respect of the Aoyuan MCB, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan MCB Principal Paying Agent, the Aoyuan MCB Registrar, the Aoyuan MCB Principal Conversion and Transfer Agent and the Aoyuan MCB Calculation Agent; and

- (c) in respect of the Aoyuan Perpetuals, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, the Aoyuan Perpetuals Principal Paying Agent and the Aoyuan Perpetuals Registrar and Transfer Agent;

**"Aoyuan New Securities Documents"** means:

- (a) in respect of the Aoyuan New Notes, the Aoyuan New Notes Indenture, the Aoyuan New Notes Global Notes, the Aoyuan New Notes Paying Agent and Registrar Appointment Letter, the Aoyuan New Notes Collateral Agency Agreement and the Aoyuan New Notes Security Document;
- (b) in respect of the Aoyuan MCB, the Aoyuan MCB Trust Deed, the Aoyuan MCB Global Certificates, the Aoyuan MCB Agency Agreement and the Aoyuan MCB Calculation Agency Agreement;
- (c) in respect of the Aoyuan Perpetuals, the Aoyuan Perpetuals Fiscal Agency Agreement, the Aoyuan Perpetuals Deed of Covenant and the Aoyuan Perpetuals Global Certificates; and

in each case, any notices, acknowledgements and other deliverables that are referred to in, or would be customary or incidental in connection with, any of the aforesaid documents;

**"Aoyuan New Securities Entitlement"** means, in relation to a Scheme Creditor, its Aoyuan New Notes Entitlement, its Aoyuan MCB Entitlement and its Aoyuan Perpetuals Entitlement;

**"Aoyuan Perpetuals"** means the new perpetual capital securities in the principal amount of USD1,600,000,000 to be issued by the Company on the Restructuring Effective Date pursuant to the Aoyuan Perpetuals Fiscal Agency Agreement and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Common Depositary"** means Elavon Financial Services DAC in its capacity as common depositary for the Clearing Systems, acting through its nominee as registered holder of each of the Aoyuan Perpetuals;

**"Aoyuan Perpetuals Deed of Covenant"** means the deed of covenant to be executed by the Company relating to the Aoyuan Perpetuals;

**"Aoyuan Perpetuals Entitlement"** means the entitlement of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive or be allocated Aoyuan Perpetuals issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed, in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2;

**"Aoyuan Perpetuals Fiscal Agency Agreement"** means the fiscal agency agreement to be entered into between, among others, the Company and the Aoyuan Perpetuals Fiscal Agent pursuant to which the Aoyuan Perpetuals are to be issued, in substantially the form attached at Appendix 13 (*Form of Aoyuan Perpetuals Fiscal Agency Agreement*) to the Explanatory Statement with such minor or technical amendments as the Cayman Court or HK Court may consent to impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Fiscal Agent"** means Madison Pacific Trust Limited in its capacity as "Fiscal Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Perpetuals Global Certificate"** means the global certificate(s) in respect of the Aoyuan Perpetuals in substantially the form set out in Part A of Schedule 1 (*Form of Global Certificates*) to the Aoyuan Perpetuals Fiscal Agency Agreement and which is made available (in substantially final form) on the Transaction Website;

**"Aoyuan Perpetuals Principal Paying Agent"** means Madison Pacific Trust Limited in its capacity as "Principal Paying Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Perpetuals Registrar and Transfer Agent"** means Madison Pacific Trust Limited in its capacity as "Registrar" and "Transfer Agent" under the Aoyuan Perpetuals Fiscal Agency Agreement, including any of its successors;

**"Aoyuan Shares"** means the ordinary shares in the Company that are listed on the HKEX;

**"Applicable Sanctions"** means laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));

**"Applicable Sanctions List"** means each of:

- (a) the lists of Specially Designated Nationals and Blocked Persons or "Foreign Sanctions Evaders" or any other list of Persons subject to, or targeted by, similar sanctions as administered, maintained and/or enforced by the Office of Foreign Assets Control of the U.S. Treasury, the U.S. Department of Commerce, the U.S. Department of State and any other Governmental Entity of the United States;
- (b) the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions maintained by the European Commission, Annex XIX of Regulation (EU) No 833/2014, or any other list of Persons subject to, or targeted by, similar sanctions as administered, maintained and/or enforced by the European Union or any Governmental Entity in any Member State of the European Union;
- (c) the Consolidated List of Financial Sanctions Targets in the United Kingdom maintained by the Office of Financial Sanctions Implementation, His Majesty's Treasury of the United Kingdom, the United Kingdom Sanctions List maintained by the Foreign, Commonwealth and Development Office, or any other list of Persons subject to, or targeted by, similar sanctions administered, maintained and/or enforced by any Governmental Entity of the United Kingdom or the Cayman Islands; or
- (d) any other similar sanctions list of persons and entities subject to a prohibition to transact with, that is developed, maintained or published by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories in connection with Applicable Sanctions, in each case as amended, supplemented or substituted from time to time,

and **"Applicable Sanctions Lists"** includes, collectively, paragraphs (a), (b), (c) and (d) of this definition;



**"Bar Time"** means 5 p.m. Hong Kong time, the equivalent time being 4 a.m. (Cayman Islands time), on the date falling 15 Business Days before the Holding Period Expiry Date;

**"Blocked Aoyuan MCB Entitlement"** means the Aoyuan MCB Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Aoyuan New Notes Entitlement"** means the Aoyuan New Notes Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Aoyuan New Securities Entitlement"** means, in relation to a Blocked Scheme Creditor, its Blocked Aoyuan New Notes Entitlement, its Blocked Aoyuan MCB Entitlement and its Blocked Aoyuan Perpetuals Entitlement;

**"Blocked Aoyuan Perpetuals Entitlement"** means the Aoyuan Perpetuals Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked New Shares Entitlement"** means the New Shares Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocked Scheme Consideration Entitlement"** means, in relation to a Blocked Scheme Creditor, its Blocked Aoyuan New Securities Entitlement, its Blocked New Shares Entitlement and its Blocked Transfer Shares Entitlement;

**"Blocked Scheme Creditor"** means a Scheme Creditor (other than a Sanctioned Scheme Creditor) that is not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian as reasonably determined by the Clearing Systems, and which does not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in its Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems;

**"Blocked Scheme Creditor Form"** means a form from a Blocked Scheme Creditor substantially in the form of, as the context requires:

- (a) in respect of the Existing Public Notes, the blocked scheme creditor form set out in Schedule 5 (*Blocked Scheme Creditor Form (Existing Public Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Private Notes, the blocked scheme creditor form set out in Schedule 6 (*Blocked Scheme Creditor Form (Existing Private Notes)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Public Notes, the holding period blocked scheme creditor form set out in Schedule 7 (*Holding Period Blocked Scheme Creditor Form (Existing Public Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time; or

- (d) in respect of the Existing Private Notes, the holding period blocked scheme creditor form set out in Schedule 8 (*Holding Period Blocked Scheme Creditor Form (Existing Private Notes)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time,

provided, in each case, that the Blocked Scheme Creditor Tabulation Agent shall have discretion to accept a purported Blocked Scheme Creditor Form (which contains substantially the information required in respect of such Blocked Scheme Creditor Form) even if such form deviates from the aforementioned forms;

**"Blocked Scheme Creditor (Participating)"** means a Blocked Scheme Creditor who has submitted a validly completed Blocked Scheme Creditor Form (and such other information as required by the Blocked Scheme Creditor Tabulation Agent to be submitted as set out in the Solicitation Packet) to the Blocked Scheme Creditor Tabulation Agent by no later than the Voting Instruction Deadline;

**"Blocked Scheme Creditor (Residual)"** means a Blocked Scheme Creditor who has submitted a validly completed Blocked Scheme Creditor Form (and such other information as required by the Blocked Scheme Creditor Tabulation Agent to be submitted as set out in the Holding Period Trust Deed) to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline but by no later than the Bar Time;

**"Blocked Scheme Creditor Tabulation Agent"** means Madison Pacific Corporate Services Ltd, in its capacity as tabulation agent in respect of the Blocked Scheme Creditors Form(s) in connection with this Scheme;

**"Blocked Transfer Shares Entitlement"** means the Transfer Shares Entitlement to which a Blocked Scheme Creditor is entitled in accordance with the terms of this Scheme and subject to the Applicable Sanctions;

**"Blocking Regulation"** means the Council of the European Union Regulation (EC) No 2271/96 of 22 November 1996 protecting against the effects of the extra-territorial application of legislation adopted by a third country, and actions based thereon or resulting therefrom;

**"Book-Entry Interest"** means, in relation to the Existing Notes, a beneficial interest in the Existing Notes Global Notes held through and shown on, and transferred only through, records maintained in book-entry form by the Clearing Systems and their respective nominees and successors, acting through themselves or the Existing Notes Common Depositary;

**"Business Day"** means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the City of New York, in London, in Hong Kong, in Singapore, in the PRC, in the BVI or in the Cayman Islands are authorised or required, by law or governmental regulation, to close;

**"BVI"** means the British Virgin Islands;

**"BVI Companies Act"** means the BVI Business Companies Act, 2004, as amended, modified or re-enacted from time to time;

**"BVI Court"** means the BVI High Court of Justice of the Eastern Caribbean Supreme Court and any court capable of hearing appeals therefrom;

**"BVI Registrar of Corporate Affairs"** means the registrar of corporate affairs (including any deputy registrar and/or assistant registrar or similar) appointed under the BVI Companies Act;

**"Cash Consideration"** means the cash consideration to be paid to scheme creditors pursuant to the Add Hero Schemes on the Restructuring Effective Date;

**"Cayman Companies Act"** means the Cayman Islands Companies Act (2023 Revision), as amended, modified or re-enacted from time to time;

**"Cayman Court"** means the Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom;

**"Cayman Registrar of Companies"** means the Registrar of Companies (including any Deputy Registrar of Companies and/or assistant registrar or similar) appointed under the Cayman Companies Act;

**"Chairperson"** means the chairperson of the Scheme Meeting;

**"China Aoyuan HK Scheme"** means the scheme of arrangement to be effected between the Company and certain of its creditors pursuant to Sections 670, 673 and 674 of the Hong Kong Companies Ordinance for the purposes of implementing the Restructuring in substantially the same form as this Scheme;

**"China Aoyuan HK Scheme Sanction Order"** means the sealed copy of the sanction order granted by the HK Court in respect of a scheme of arrangement between the Company and the Scheme Creditors pursuant to Sections 670, 673 and 674 of the Hong Kong Companies Ordinance in respect of the China Aoyuan HK Scheme;

**"China Aoyuan Group"** means China Aoyuan and all of its Subsidiaries;

**"China Aoyuan Offshore Group"** means China Aoyuan and its Subsidiaries incorporated outside the PRC;

**"China Aoyuan Onshore Group"** means the Subsidiaries of China Aoyuan incorporated inside the PRC;

**"China Aoyuan Scheme Excluded Liabilities"** means all Liabilities due, owing or incurred from time to time by:

- (a) Existing Public Notes Guarantors to the Scheme Creditors under or in connection with the Existing Public Notes and/or the Existing Public Notes Finance Documents;
- (b) Existing Syndicated Facilities Guarantors to the Scheme Creditors under or in connection with the Existing Syndicated Facilities and/or the Existing Syndicated Facilities Finance Documents;
- (c) USD100m Noble Prestige Facility Guarantors to the Scheme Creditors under or in connection with the USD100m Noble Prestige Facility, the USD100m Noble Prestige Facility Finance Documents and/or the Noble Prestige Arbitration Award;
- (d) Existing Onshore Facilities Obligors to the Scheme Creditors under or in connection with the Existing Onshore Facilities and/or the Existing Onshore Facilities Finance Documents;
- (e) China Aoyuan to the Scheme Creditors under or in connection with the HKD329m Hang Seng Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by Hang Seng Bank (China) Limited in favour of Hang Seng Bank Limited in connection with the HKD329m Hang Seng Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;

- (f) China Aoyuan to the Scheme Creditors under or in connection with the HKD740m Bank of East Asia Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by The Bank of East Asia (China) Limited, Guangzhou Branch in favour of The Bank of East Asia, Limited in connection with the HKD740m Bank of East Asia Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (g) China Aoyuan to the Scheme Creditors under or in connection with the USD70m CMB Wing Lung Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by CBM Wing Lung Bank Limited, Guangzhou Branch in favour of CMB Wing Lung Bank Limited in connection with the USD70m CMB Wing Lung Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (h) China Aoyuan to the Scheme Creditors under or in connection with the HKD367m Hang Seng Bank Facility (SBLC), up to an amount, which is the amount payable pursuant to certain standby letters of credit granted by Hang Seng Bank (China) Limited in favour of Hang Seng Bank Limited in connection with the HKD367m Hang Seng Bank Facility (SBLC), to the extent that such standby letter of credit has not been enforced in full as at the Record Date;
- (i) Power Linkage Limited to the Scheme Creditors under or in connection with the USD100m Power Linkage Bonds and/or the USD100m Power Linkage Bonds Finance Documents;
- (j) Power Linkage Limited to the Scheme Creditors under or in connection with the USD250m Power Linkage Bonds and/or the USD250m Power Linkage Bonds Finance Documents;
- (k) Luck Gain Limited to the Scheme Creditors under or in connection with the USD200m Luck Gain Bonds and/or the USD200m Luck Gain Bonds Finance Documents;
- (l) Multi-Prospect Limited to the Scheme Creditors under or in connection with the USD100m Multi-Prospect Bonds and/or the USD100m Multi-Prospect Bonds Finance Documents;
- (m) Flair Honour Limited (賦耀有限公司), Million Obtain Limited (萬獲有限公司), Aoyuan Property (Hong Kong) Limited (奧園地產(香港)有限公司), Sinoteam Investment Limited (德添投資有限公司), 奧園集團有限公司, 奧園(深圳)城市更新集團有限公司, 深圳喆佑投資合夥企業(有限合夥) and 主力實業(深圳)有限公司, in each case, under or in connection with the HKD676m Lofty Time Facility and/or the HKD676m Lofty Time Facility Finance Documents;
- (n) King World Holdings Limited to the Scheme Creditors under or in connection with the USD120m King World Facility and/or the USD120m King World Facility Finance Documents;
- (o) King World Holdings Limited to the Scheme Creditors under or in connection with the USD150m King World Facility and/or the USD150m King World Facility Finance Documents;
- (p) Luck Gain Limited to the Scheme Creditors under or in connection with the HKD780m Tai Fung Bank Facility and/or the HKD780m Tai Fung Bank Facility Finance Documents;
- (q) Speedy Capital to the Scheme Creditors under or in connection with the HKD Equivalent of US\$100m Tai Fung Bank Facility and/or the HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents; and
- (r) China Aoyuan to the Scheme Creditors under or in connection with the HKD Equivalent of US\$100m Tai Fung Bank Facility, up to the amount deposited in the following HKD accounts

in the name of China Aoyuan with Tai Fung Bank Limited: (i) account number: 101-1-14311-9; (ii) account number: 101-2-75358-1; and (iii) account number: 601-6-25555-6, which are subject to account charges granted in favour of Tai Fung Bank Limited as set out in the charge over account agreement dated 23 December 2022 entered into by China Aoyuan (as chargor) and Tai Fung Bank Limited (as lender),

in each case, whether actually or contingently and whether as principal, surety or otherwise;

**"China Aoyuan Schemes"** means, collectively, this Scheme and the China Aoyuan HK Scheme;

**"Clearing Systems"** means either or both of Euroclear Bank SA/NV and Clearstream Banking S.A. and each of their respective nominees and successors, and any other system designed for similar or analogous purposes, as appropriate;

**"CoCom"** means a steering committee of lenders holding the Existing Syndicated Facilities that are advised by Allen & Overy and PricewaterhouseCoopers Limited, as constituted from time to time and notified to the Company;

**"Company"** has the meaning given to it in the "parties" clause;

**"Consenting Creditors"** means the Initial Consenting Creditors and any Additional Consenting Creditors;

**"CSRC"** means the China Securities Regulatory Commission (中国证券监督管理委员会);

**"Custody Instruction"** means an instruction to the relevant Clearing System to block the Existing Notes Debt from trading in the relevant Clearing System;

**"Deed of Subordination"** means the Hong Kong law deed of subordination entered into by certain members of the China Aoyuan Offshore Group on or around the Restructuring Effective Date;

**"Deed of Subordination Parties"** means each "Party" as defined in the Deed of Subordination;

**"Deeds of Release"** means, collectively:

- (a) the Hong Kong law deed of release in respect of the the Existing Syndicated Facilities, Existing Private Notes, Existing Bilateral Facilities (SBLC), Existing Other Offshore Financings, USD100m Noble Prestige Facility, HKD676m Lofty Time Facility, HKD780m Tai Fung Bank Facility, HKD Equivalent of US\$100m Tai Fung Bank Facility and certain Existing Onshore Facilities in substantially the form attached at Part A of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (b) the English law deed of release in respect of the USD120m King World Facility and USD150m King World Facility in substantially the form attached at Part B of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (c) the PRC law deed of release in respect of the Existing Onshore Facilities in substantially the form attached at Part C of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (d) the BVI law deed of release in respect of the share security granted by the Company over its shareholding in Add Hero in substantially the form attached at Part D of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement;
- (e) the New York law deed of release in respect of the Existing Public Notes in substantially the form attached at Part E of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement; and

- (f) the Hong Kong law deed of release in respect certain security interests granted in connection with the USD200m Happy Team Facility in substantially the form attached at Part F of Appendix 9 (*Form of Deed of Release*) to the Explanatory Statement,

in each case, with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Designated Recipient"** means a person designated by a Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) in a validly completed Account Holder Letter (alongside a validly completed Designated Recipient Form and such other information as is required by the Information Agent to be submitted as set out in the Solicitation Packet) as the recipient of any of its Scheme Consideration Entitlement pursuant to the terms of this Scheme and subject to all applicable securities laws and, provided, always, that, a person shall only be a Designated Recipient if it is an Eligible Person and it holds an account with the same Account Holder as its designated Scheme Creditor, and agrees to receive the relevant Scheme Consideration Entitlement into the same account;

**"Designated Recipient Form"** means the document that is substantially in the form set out at Appendix 1 to the Account Holder Letter or Appendix 1 to the Lender Proxy Form (as applicable) and available on the Scheme Portal;

**"Director"** means any person who is, or was, or is deemed to be, at any time a director, manager or officer (or equivalent) of any company in the China Aoyuan Group immediately prior to the Restructuring Effective Date, including, for the avoidance of doubt, the Company and each of the other Existing Debt Obligors, in their capacity as such;

**"Disputed Scheme Claim"** has the meaning given to it in Clause 6.3 (*Determination of Scheme Claims*);

**"Disputed Scheme Claim Notice"** means a written notice from a Scheme Creditor to the Scheme Administrators setting out: (i) the amount of its Scheme Claims as at the Reference Date; (ii) reasons for disputing the amounts of Scheme Claim in the Scheme Claim Determination Notice; and (iii) relevant supporting evidence;

**"Disputed Scheme Claim Resolution Period"** means seven calendar days commencing on the date of receipt of a completed Disputed Scheme Claim Notice by the Scheme Administrators or such longer period as the Company, the Scheme Administrators and the relevant Scheme Creditor may agree in writing;

**"Distribution Confirmation Deed"** means the document that is substantially in the form set out in Appendix 2 to the Account Holder Letter or Appendix 2 to the Lender Proxy Form (as applicable) and available on the Scheme Portal;

**"Eligible Person"** means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline;

**"Escrow Account"** means the escrow account(s) to be established by the Escrow Agent for the Escrow Period pursuant to the terms of the Escrow Agreement;

**"Escrow Agent"** means the Person to be appointed by the Company under the Escrow Agreement as escrow agent for the Escrow Account;

**"Escrow Agreement"** means the agreement pursuant to which the Escrow Agent shall hold the Blocked Scheme Consideration Entitlement for the Company, in a form approved by the Escrow Agent and to be entered into in accordance with Clause 8.1;

**"Escrow Period"** means the period commencing from the date of the establishment of the Escrow Account to the earlier of:

- (a) the date falling one year after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date) or such later date as the Company may designate in its sole discretion as notified by the Company to the Scheme Creditors in writing; or
- (b) the lifting of the Applicable Sanctions in respect of all Blocked Scheme Creditors;

**"Excluded Claims"** has the meaning given to it in Clause 12.5;

**"Excluded Persons"** has the meaning given to it in Clause 13.1;

**"Existing Bilateral Facilities (SBLC)"** means, collectively, the financing arrangements described in Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"Existing Common Collateral Agent"** means DB Trustees (Hong Kong) Limited in its capacity as common security agent under the Existing Intercreditor Agreement, as "Collateral Agent" under each Existing Public Notes Indenture (save for the Existing Public Notes Indenture in respect of the US\$50,000,000 8.5% Senior Notes Due 2022) and as "Common Collateral Agent" under the Existing Syndicated Facilities;

**"Existing Debt"** means Existing Loans Debt and Existing Notes Debt;

**"Existing Debt Administrative Parties"** means the Existing Notes Administrative Parties and the Existing Loans Administrative Parties;

**"Existing Debt Finance Documents"** means the Existing Loans Finance Documents, the Existing Notes Finance Documents, the Existing Security Agreements and the Existing Intercreditor Agreement;

**"Existing Debt Obligors"** means the Company, the Existing Public Notes Guarantors, the Existing Syndicated Facilities Guarantors and the USD100m Noble Prestige Facility Guarantors;

**"Existing Intercreditor Agreement"** means the intercreditor agreement originally dated 23 November 2012, entered into by, among others, the Company, certain subsidiary guarantor pledgors parties thereto and the Existing Common Collateral Agent, as amended, supplemented and acceded to from time to time;

**"Existing Lender"** means a lender of record under any of the Existing Syndicated Facilities, the USD100m Noble Prestige Facility or any Person who has a beneficial interest as principal under any Existing Loans Finance Documents;

**"Existing Loans"** means:

- (a) the Existing Syndicated Facilities;
- (b) the Existing Bilateral Facilities (SBLC);
- (c) the Existing Other Offshore Financings;
- (d) the Existing Onshore Facilities;
- (e) the USD100m Noble Prestige Facility; and

(f) the Existing Private Loans;

**"Existing Loans Administrative Parties"** means:

- (a) the Existing Syndicated Facilities Administrative Parties;
- (b) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" under the USD200m CCB Facility;
- (c) Tai Fung Bank Limited in its capacity as "Facility Agent" and "Security Agent" under the HKD780m Tai Fung Bank Facility;
- (d) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and Dragons 719 Limited in its capacity as "Security Agent" under the USD200m Happy Team Facility;
- (e) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD120m King World Facility; and
- (f) China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD150m King World Facility;

**"Existing Loans Debt"** means, save for the China Aoyuan Scheme Excluded Liabilities, all Liabilities due, owing or incurred from time to time by any member of the China Aoyuan Offshore Group to the Existing Lenders under or in connection with the Existing Loans, the Existing Loans Finance Documents and/or the Noble Prestige Arbitration Award, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Loans Finance Documents"** means the Existing Syndicated Facilities Finance Documents, the USD100m Noble Prestige Facility Finance Documents, the Existing Onshore Facilities Finance Documents, the Existing Private Loans Finance Documents, each "Finance Document" under and as defined under the Existing Loans (as applicable), all agreements and instruments relating to the Existing Loans and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Noteholder"** means a person who is the beneficial owner of and/or the owner of the ultimate economic interest in (as applicable) the Existing Notes;

**"Existing Notes"** means, collectively, the Existing Public Notes and the Existing Private Notes;

**"Existing Notes Administrative Parties"** means:

- (a) in respect of the Existing Public Notes, the Existing Public Notes Administrative Parties; and
- (b) in respect of the Existing Private Notes, the Existing Private Notes Administrative Parties;

**"Existing Notes Common Depositaries"** means, collectively, each Existing Public Notes Common Depositary and each Existing Private Notes Common Depositary;

**"Existing Notes Debt"** means, save for the China Aoyuan Scheme Excluded Liabilities, all Liabilities due, owing or incurred from time to time by any member of the China Aoyuan Offshore Group to the Existing Notes Administrative Parties and/or the Existing Noteholders under or in connection with the Existing Notes and/or the Existing Notes Finance Documents, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Notes Finance Documents"** means the Existing Public Notes Indentures, the Existing Private Notes Instruments, the Existing Private Notes Finance Documents, the Existing Notes and



all agreements and instruments relating to the Existing Notes and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Notes Global Notes"** means, collectively, the Existing Public Notes Global Notes and the Existing Private Notes Global Notes;

**"Existing Onshore Facilities"** means, collectively, the financing arrangements described in Part F (*Existing Onshore Facilities*) of Schedule 2 (*Existing Debt*);

**"Existing Onshore Facilities Finance Documents"** means the Existing Onshore Facilities described in Part F (*Existing Onshore Facilities*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the Existing Onshore Facilities and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Existing Onshore Facilities Obligors"** means any member of the China Aoyuan Onshore Group that owes or incurs any Liabilities from time to time under or in connection with the Existing Onshore Facilities and/or Existing Onshore Facilities Finance Documents, in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise;

**"Existing Other Offshore Financings"** means, collectively, the financing arrangements described in Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"Existing Private Loans"** means, collectively, the financing arrangements described in Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"Existing Private Loans Finance Documents"** means, collectively, the HKD676m Lofty Time Facility Finance Documents, the HKD780m Tai Fung Bank Facility Finance Documents, the HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents, the USD120m King World Facility Finance Documents and the USD150m King World Facility Finance Documents;

**"Existing Private Notes"** means, collectively, the financing arrangements described in Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Private Notes Administrative Parties"** means the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Existing Private Notes Paying Agent and the Existing Private Notes Registrar and Transfer Agent;

**"Existing Private Notes Common Depositary"** means China Construction Bank (Asia) Corporation Limited (or its nominee) in its capacity as common depositary under each of the Existing Private Notes Instruments for the Clearing Systems;

**"Existing Private Notes Finance Documents"** means, collectively, the USD100m Power Linkage Bonds Finance Documents, the USD250m Power Linkage Bonds Finance Documents, USD200m Luck Gain Bonds Finance Documents, USD100m Multi-Prospect Bonds Finance Documents;

**"Existing Private Notes Fiscal Agency Agreements"** means, collectively, the fiscal agency agreements entered into between, among others, the Company and the Existing Private Notes Fiscal Agent pursuant in connection with the Existing Private Notes Instruments;

**"Existing Private Notes Fiscal Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Fiscal Agent" under each Existing Private Notes Instrument;

**"Existing Private Notes Global Notes"** means the global notes deposited with or on behalf of and registered in the name of each Existing Private Notes Common Depositary or its nominee;

**"Existing Private Notes Instruments"** means each of the "Existing Private Notes Instruments" as described in Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Private Notes Paying Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Paying Agent" under each Existing Private Notes Instrument;

**"Existing Private Notes Registrar and Transfer Agent"** means China Construction Bank (Asia) Corporation Limited in its capacity as "Registrar" and "Transfer Agent" under each Existing Private Notes Instrument;

**"Existing Public Notes"** means, collectively, the financing arrangements described in Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Public Notes Administrative Parties"** means the Existing Public Notes Trustee, the Existing Common Collateral Agent, the Existing Public Notes Common Depositary, the Existing Public Notes Paying Agent and the Existing Public Notes Registrar and Transfer Agent;

**"Existing Public Notes Common Depositary"** means Deutsche Bank AG, Hong Kong Branch (or its nominee) in its capacity as common depositary under each Existing Public Notes Indenture for the Clearing Systems;

**"Existing Public Notes Finance Documents"** means the Existing Public Notes described at item Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the Existing Public Notes and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Existing Public Notes Global Notes"** means the global notes deposited with or on behalf of and registered in the name of the Existing Public Notes Common Depositary or its nominee;

**"Existing Public Notes Guarantors"** means, collectively, the entities described in Schedule 3 (*List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors*) in their capacity as "Subsidiary Guarantors" under each Existing Public Notes Indenture;

**"Existing Public Notes Indentures"** means each of the "Existing Public Notes Indenture" as described in Part A (*Existing Public Notes*) of Schedule 2 (*Existing Debt*);

**"Existing Public Notes Paying Agent"** means Deutsche Bank AG, Hong Kong Branch in its capacity as "Paying Agent" under each Existing Public Notes Indenture;

**"Existing Public Notes Registrar and Transfer Agent"** means Deutsche Bank AG, Hong Kong Branch in its capacity as "Registrar" and "Transfer Agent" under each Existing Public Notes Indenture;

**"Existing Public Notes Trustee"** means DB Trustees (Hong Kong) Limited in its capacity as "Trustee" under each Existing Public Notes Indenture or any successor trustee under each Existing Public Notes Indenture;

**"Existing Security Agreements"** means:

- (a) the "Common Security Documents" as defined in the Existing Intercreditor Agreement;
- (b) the "Company Share Mortgage" and "Security Agreement (Offshore Guarantor Intra-group Receivables)" as defined in the HKD676m Lofty Time Facility; and
- (c) the "Transaction Security Documents" as defined in the USD200m Happy Team Facility;

**"Existing Syndicated Facilities"** means, collectively, the financing arrangements described in Part B (*Existing Syndicated Facilities*) of Schedule 2 (*Existing Debt*);

**"Existing Syndicated Facilities Administrative Parties"** means, collectively, the Existing Syndicated Facilities Agents and the Existing Common Collateral Agent;

**"Existing Syndicated Facilities Agents"** means Hang Seng Bank Limited and Nanyang Commercial Bank, Limited in their respective capacities as "Agent" under the relevant Existing Syndicated Facilities;

**"Existing Syndicated Facilities Finance Documents"** means each "Finance Document" under and as defined under each of the Existing Syndicated Facilities, all agreements and instruments relating to the Existing Syndicated Facilities and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Existing Syndicated Facilities Guarantors"** means, collectively, the entities described in Schedule 3 (*List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors*) in their capacity as "Guarantors" under each of the Existing Syndicated Facilities;

**"Explanatory Statement"** means the composite document of the Company addressed to the Scheme Creditors containing, among other things, the explanatory statement of the Company in compliance with the Cayman Companies Act, the Hong Kong Companies Ordinance and the terms of this Scheme (including all appendices, schedules and annexures thereto);

**"Final Scheme Effective Date"** means the date falling on the later of: (i) the Scheme Effective Date; and (ii) the Add Hero Scheme Effective Date;

**"Governmental Entity"** means any federal, national or local government, governmental, regulatory or administrative authority, agency or commission or any court, tribunal or judicial body of Hong Kong, the PRC, the United States of America, the European Union, the United Kingdom, the British Overseas Territories (including the Cayman Islands) or any other relevant jurisdiction;

**"HK Court"** means the High Court of Hong Kong and any court capable of hearing appeals therefrom;

**"HKD329m Hang Seng Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 1 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD367m Hang Seng Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 4 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD676m Lofty Time Facility"** means the Existing Private Loan described at item 1 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD676m Lofty Time Facility Finance Documents"** means the HKD676m Lofty Time Facility and all agreements and instruments relating to the HKD676m Lofty Time Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKD740m Bank of East Asia Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 2 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"HKD780m Tai Fung Bank Facility"** means the Existing Private Loan described at item 2 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD780m Tai Fung Bank Facility Finance Documents"** means the HKD780m Tai Fung Bank Facility and all agreements and instruments relating to the HKD780m Tai Fung Bank Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKD Equivalent of US\$100m Tai Fung Bank Facility"** means the Existing Private Loan described at item 3 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"HKD Equivalent of US\$100m Tai Fung Bank Facility Finance Documents"** means the HKD Equivalent of US\$100m Tai Fung Bank Facility and all agreements and instruments relating to the HKD Equivalent of US\$100m Tai Fung Bank Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"HKEX"** means The Stock Exchange of Hong Kong Limited;

**"Holding Period"** means the period commencing from the Restructuring Effective Date up to the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to the Scheme Creditors in writing;

**"Holding Period Expiry Date"** means the last day of the Holding Period;

**"Holding Period Trust Deed"** means the trust deed to be entered into by, among others, the Holding Period Trustee, for the purpose of creating the trust in accordance with Clause 7.1 and is in substantially the form set out at Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, with such minor or technical amendments as the Cayman Court or HK Court may consent to, impose or approve on or before the Scheme Effective Date and which is made available (in substantially final form) on the Transaction Website;

**"Holding Period Trustee"** means Madison Pacific Trust Limited, or any additional or replacement trustee at any time that is appointed in accordance with terms of the Holding Period Trust Deed, in its capacity as bare trustee of the Trust Assets under the Holding Period Trust Deed;

**"Hong Kong"** means Hong Kong, Special Administrative Region of the People's Republic of China;

**"Hong Kong Companies Ordinance"** means the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;

**"Hong Kong Registrar of Companies"** means the Registrar of Companies appointed under the Hong Kong Companies Ordinance;

**"Information Agent"** means Morrow Sodali Limited or any other person appointed by the Company to act as information agent in connection with this Scheme;

**"Initial Consenting Creditors"** means the entities listed in Schedule 1 (*The Initial Consenting Creditors*) of the Restructuring Support Agreement;

**"Insolvency Event"** means: (i) a court of competent jurisdiction granting an order in respect of any Insolvency Proceedings in relation to any Key Entity; (ii) any Key Entity passing a resolution in respect of any Insolvency Proceeding in relation to itself; or (iii) any creditor submitting an application, petition or similar document, the effect of which would be to result in an Insolvency Proceeding in relation to any Key Entity, provided that any such proceeding or step which:

- (a) in respect of (iii) above, is contested in good faith and with due diligence and discharged, withdrawn, set aside or struck out within sixty (60) calendar days of commencement of such proceeding or step; or
- (b) occurs by reason of the implementation and/or consummation of all or any part of the Restructuring (including, for the avoidance of doubt, any court or judicial process concerning the effectiveness of the China Aoyuan Schemes and Add Hero Schemes in the relevant jurisdictions),

shall not constitute an "Insolvency Event".

**"Insolvency Proceeding"** means any proceeding, process, appointment or application under any law relating to insolvency, reorganisation, winding-up, or composition or adjustment of debts, including, without limitation, winding-up, liquidation, bankruptcy, provisional liquidation, receivership, restructuring officer, administration, provisional supervision, company voluntary arrangement, scheme of arrangement (other than the China Aoyuan Schemes and the Add Hero Schemes), suspension of payment under court supervision or any other analogous proceedings in any jurisdiction;

**"Key Entity"** means (a) the Company; (b) Add Hero; and (c) Aoyuan Group Company Limited (奥园集团有限公司);

**"Key Person"** means an executive director of any Key Entity from time to time;

**"Lender Proxy Form"** means a form from a Scheme Creditor who is an Existing Lender substantially in the form of, as the context requires:

- (a) in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, the lender proxy form set out in Schedule 3 (*Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (b) in respect of the Existing Loans (other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility), the lender proxy form set out in Schedule 4 (*Lender Proxy Form (Other Non-ICA Debt)*) of Appendix 5 (*Solicitation Packet*) to the Explanatory Statement, as submitted to the Information Agent prior to the Voting Instruction Deadline;
- (c) in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, the holding period lender proxy form set out in Schedule 5 (*Holding Period Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time; or
- (d) in respect of the Existing Loans (other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility), the holding period lender proxy form set out in Schedule 6 (*Holding Period Lender Proxy Form (Other Non-ICA Debt)*) of Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time,

including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal, provided, in each case, that the Scheme Administrators (in consultation with the Information Agent and acting on behalf of the Company) shall have discretion to accept a purported Lender Proxy Form (which contains substantially the information required in respect of such Lender Proxy Form) even if such form deviates from the aforementioned forms;

**"Liability"** means any debt, liability or obligation whatsoever, whether it is present, future, prospective or contingent, whether or not its amount is fixed or undetermined, whether or not it involves the payment of money or the performance of an act or obligation, and whether arising at common law, in equity or by statute in or under the laws of the Cayman Islands, BVI, England & Wales, Hong Kong, PRC, New York or under any other law or in any other jurisdiction howsoever arising, including any amount which would constitute such a liability but for any discharge, non-provability, unenforceability or non-allowance of the same in any insolvency or other Proceeding, including any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing

or constituting any other Liability falling within this definition, and any claim for damages or restitution; and **"Liabilities"** shall be construed accordingly;

**"Linklaters"** means Linklaters and any affiliated firms, alliance partners or other entities carrying on business under or including the name "Linklaters" or under joint venture or alliance or collaboration arrangements in association with Linklaters in other jurisdictions;

**"Longstop Date"** means:

- (a) the date falling on the earlier of: (i) 60 calendar days after the Final Scheme Effective Date; and (ii) 31 March 2024; or
- (b) such later date as may be extended pursuant to Clause 16.1;

**"Longstop Date Extension"** has the meaning given to it in Clause 16.1;

**"Majority Scheme Creditors"** means Scheme Creditors holding in aggregate more than 50% in value of the aggregate principal amount of the Scheme Claims at the relevant time;

**"NDRC"** means the National Development and Reform Commission of the PRC (中华人民共和国国家发展和改革委员会);

**"New Shares"** means the new 1,000,000,000 Aoyuan Shares to be issued by the Company in connection with this Scheme;

**"New Shares Entitlement"** means the entitlement of: (a) each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive New Shares issued by the Company on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor pursuant to Clause 4.4.1(i); or (b) each Blocked Scheme Creditor to receive its share of the New Shares pursuant to Clause 4.4.1(ii), in each case, under and pursuant to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed, and in such amount as calculated pursuant to Clause 5.2

**"Noble Prestige Arbitration Award"** means the arbitration award dated 22 November 2022 granted by the Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Centre) in respect of the arbitration proceedings commenced by Noble Prestige (Cayman) Limited against Aoyuan Group Company Limited (奥园集团有限公司) in connection with the USD100m Noble Prestige Facility;

**"Offshore Creditors' Director"** means the person nominated by the Ad Hoc Group to be appointed as a director to the board of directors of Add Hero in consultation with the Company and/or Add Hero;

**"Offshore Creditors' Director Qualification Requirements"** means the applicable requirements to be satisfied by the Offshore Creditors' Director, including that the Offshore Creditors' Director shall satisfy all applicable requirements under the Rules Governing the Listing of Securities on the HKEX and applicable legal requirements for such directorship;

**"Person"** means any natural person, corporation, limited or unlimited liability company, trust, joint venture, association, corporation, partnership, Governmental Entity or other entity whatsoever;

**"PRC"** means the People's Republic of China, and for the purposes of this Scheme only, does not include Hong Kong, Macau, or Taiwan;

**"Proceeding"** means any process, suit, action, legal or other proceeding in any jurisdiction, including, without limitation, any arbitration, mediation, alternative dispute resolution, judicial review,

adjudication, demand, execution, distraint, restraint, forfeiture, re-entry, seizure, lien, enforcement of judgment or enforcement of any security or Insolvency Proceeding in any jurisdiction;

**"Protected Parties"** means the Advisers, any Director, the Scheme Administrators, the Chairperson, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Existing Debt Administrative Parties, the Aoyuan New Securities Administrative Parties, the Holding Period Trustee, the Adjudicator or any of their respective Affiliates, equity holders, members, managing members, officers, directors, partners, employees, advisers, principals, attorneys, professional advisers, accountants, investment bankers, consultants, agents and representatives (including their Affiliates);

**"Qualified Person"** means a person who is:

- (a) a Hong Kong Senior Counsel or United Kingdom King's Counsel with relevant experience in restructuring and insolvency matters who has been called to the bar for at least eight (8) years; or
- (b) a chartered accountant who is a partner from a reputable accounting firm and has at least 10 years of experience in restructuring and insolvency matters,

and, in each case, provides a written confirmation to the Company that he or she has no conflict of interest in respect of the Disputed Scheme Claim that is referred to him or her for adjudication;

**"Record Date"** means following the close of business and cessation of trading of the Clearing Systems on 20 November 2023;

**"Reference Date"** means 30 September 2023;

**"Reference Exchange Rate"** means: (i) the HK\$/US\$ official fixing rate which appears on the Bloomberg Screen "NDFF" Page opposite the symbol "HK\$" in the column "Last Price" on the Record Date or, should this not be available, another suitable source, as may be selected by the Company (acting reasonably); and (ii) the CNH/US\$ official fixing rate which appears on the Bloomberg Screen "NDFF" Page opposite the symbol "CNH" in the column "Last Price" on the Record Date or, should this not be available, another suitable source, as may be selected by the Company (acting reasonably);

**"Relevant Restructuring Step"** has the meaning given to it in Clause 4.3.1(iii);

**"Restructuring"** means the financial restructuring of the indebtedness of the China Aoyuan Offshore Group in accordance with and as intended to be implemented through this Scheme, the China Aoyuan HK Scheme, the Add Hero HK Scheme, the Add Hero BVI Scheme and the Restructuring Documents;

**"Restructuring Conditions"** means:

- (a) the occurrence of the Scheme Effective Date;
- (b) the occurrence of the Add Hero Scheme Effective Date;
- (c) Add Hero having obtained an approval in principle for the listing of and quotation of the Add Hero Notes on the SGX-ST;
- (d) the appointment of the Offshore Creditors' Director, provided that the nomination of the Offshore Creditors' Director shall be made and submitted by the Ad Hoc Group to the Company and Add Hero not less than 30 days prior to the Restructuring Effective Date, and such person shall satisfy the Offshore Creditors' Director Qualification Requirements;

- (e) the Company having paid (or procured payment of) all professional fees and expenses of the Advisers, the Information Agent and the Scheme Administrators associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
- (f) the Company and/or Add Hero having paid (or procured payment of) all Work Fees;
- (g) the Company having paid (or procured payment of) all the RSA Fees (Cash Component) to the Scheme Creditors (who are not Sanctions-Affected Scheme Creditors), who (i) eligible to receive the RSA Fees (Cash Component) in accordance with the terms of the Restructuring Support Agreement; and (ii) have provided, on or before the Voting Instruction Deadline, their validly completed Account Holder Letter or Lender Proxy Form (as applicable) setting out the payment details for the purpose of receiving the RSA Fees (Cash Component);
- (h) the Company having paid (or procured payment of) all professional fees and expenses of the Existing Public Notes Administrative Parties and the Existing Syndicated Facilities Administrative Parties associated with the Restructuring that the Company has agreed in writing to pay and that have been duly invoiced to the Company by no later than five Business Days prior to the Restructuring Effective Date;
- (i) the Company having paid (or procured payment of) all fees and expenses of the Existing Notes Administrative Parties, the Existing Syndicated Facilities Administrative Parties and China Construction Bank (Asia) Corporation Limited in its capacity as Existing Loans Administrative Party (including, for the avoidance of doubt, any outstanding fees, expenses and indemnities under the terms of the Existing Notes Finance Documents, the Existing Syndicated Facilities Finance Documents and the Existing Loans Finance Documents (as applicable)) which are due and payable as at the Restructuring Effective Date;
- (j) the Company having obtained an approval in principle for the listing of and quotation of the following instruments on the SGX-ST:
  - (i) the Aoyuan New Notes;
  - (ii) the Aoyuan MCB; and
  - (iii) the Aoyuan Perpetuals;
- (k) the Company having obtained the requisite shareholder approval for the issuance of new share capital in the Company in accordance with the terms of the China Aoyuan Schemes;
- (l) all necessary consents, approvals or authorisations for the effectuation of this Scheme, the Add Hero BVI Scheme, the Add Hero HK Scheme, the China Aoyuan HK Scheme and the Restructuring having been obtained, including (without limitation):
  - (i) all corporate approvals required for the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals; and
  - (ii) any and all necessary consents, approvals or authorisations from any and all relevant governmental bodies for the Restructuring and the issuance or payment (as applicable) of the Cash Consideration, the New Shares, the Transfer Shares, the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals, including in respect of registrations with the NDRC, which may be evidenced by way of:



- (A) successful registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) with the NDRC;
  - (B) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable) and the issuance by the NDRC of a written confirmation indicating that China Aoyuan's and/or Add Hero's application (as applicable) for registration of the same with the NDRC is unnecessary (不予受理通知书); or
  - (C) evidence of submission of application by or on behalf of China Aoyuan and/or Add Hero (as applicable) to the NDRC for the registration of the Add Hero Notes, the Aoyuan New Notes, the Aoyuan MCB and the Aoyuan Perpetuals (as applicable), and no written rejection has been issued by the NDRC on or before the Restructuring Effective Date (provided that no less than 30 days have elapsed since the submission of the application to the NDRC);
- (m) the satisfaction of any conditions precedent specified by the Existing Public Notes Administrative Parties in writing to the Company (which may be modified in writing by the Existing Public Notes Administrative Parties to the Company) in respect of the completion of any court or judicial process concerning the effectiveness of the China Aoyuan Schemes and Add Hero Schemes in the relevant jurisdictions;
  - (n) the satisfaction of each of the specific conditions precedent contained in each of the Restructuring Documents (as and to the extent applicable) unless otherwise waived by the relevant parties thereunder in accordance with the terms of the Restructuring Documents; and
  - (o) the execution of each of the Restructuring Documents by or on behalf of each party thereto;

**"Restructuring Conditions Satisfaction Time"** means the time at which the Restructuring Conditions have been satisfied or waived in accordance with Clause 16.4 (*Waiver of provisions of this Scheme*) (as applicable);

**"Restructuring Documents"** means:

- (a) the Aoyuan New Securities Documents;
- (b) the Deeds of Release;
- (c) the Holding Period Trust Deed;
- (d) (if applicable) the Escrow Agreement
- (e) any documents required for the issuance of the New Shares and transfer of the Transfer Shares; and
- (f) any other documents that the Company, the Aoyuan New Notes Trustee and/or the Aoyuan New Notes Collateral Agent reasonably consider to be reasonably necessary to give effect to the Restructuring;

**"Restructuring Effective Date"** means the date specified as the Restructuring Effective Date in the most recent in time notice provided to Scheme Creditors in accordance with Clause 4.2 (*Step 2: Designation of Restructuring Effective Date*);

**"Restructuring Released Party"** has the meaning given to it in Clause 12.2;

**"Restructuring Steps"** means the steps, transactions or actions set out in Clause 4.3.2;

**"Restructuring Support Agreement"** means the restructuring support agreement dated 10 July 2023 entered into by the Company and the Initial Consenting Creditors (as defined therein) (a redacted copy of which is available on the Transaction Website) as amended, supplemented and/or restated from time to time, including by the accession or cessation of parties thereto;

**"RSA Fees (Aoyuan New Notes)"** means the Aoyuan New Notes to be issued pursuant to paragraph (b) of the definition of "RSA Fees" in the Restructuring Support Agreement;

**"RSA Fees (Cash Component)"** means the cash payable pursuant to paragraph (a) of the definition of "RSA Fees" in the Restructuring Support Agreement;

**"Sanctioned Country"** means any country or territory that is the target of any comprehensive country or territory-wide Applicable Sanctions (including, as at the date of the Explanatory Statement, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, and the countries of Cuba, Iran, North Korea and Syria);

**"Sanctioned Scheme Creditor"** means a Scheme Creditor that is:

- (a) designated on any Applicable Sanctions Lists;
- (b) resident in, ordinarily located in, or incorporated or domiciled under the laws of any Sanctioned Country;
- (c) in aggregate, 50% or greater owned, directly or indirectly, or otherwise controlled directly or indirectly (in each case with reference to Applicable Sanctions) by any Person or Persons described in paragraph (a) or (b) above of this definition; or
- (d) acting on behalf of or at the direction of any Person or Persons described in paragraph (a) or (b) above of this definition,

and which does not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in its Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems;

**"Sanctions-Affected Scheme Creditor"** means a Blocked Scheme Creditor or a Sanctioned Scheme Creditor;

**"Sanctions Law Representations"** means the sanctions law confirmations and undertakings set out in the Distribution Confirmation Deed;

**"Scheme"** means this scheme of arrangement between the Company and the Scheme Creditors made under section 86 of the Cayman Companies Act;

**"Scheme Administrators"** means Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong, and Mr. James William Hooper, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong or such other representative of Alvarez & Marsal Asia Limited;

**"Scheme Claim"** means, save for the China Aoyuan Scheme Excluded Liabilities, any claim or claims in respect of any Liability of the Company and any member of the China Aoyuan Offshore Group to a Scheme Creditor arising, directly or indirectly, in relation to, or arising out of or in connection with, the Existing Debt Finance Documents and/or the Noble Prestige Arbitration Award, held or existing on the Record Date, including any interest or default interest accruing on, or accretions arising in respect of, such claims up to and including the Reference Date, and excluding,

for the avoidance of doubt, any liability of the Company under Clause 17 (*Costs and expenses*), and **"Scheme Claims"** shall be construed accordingly;

**"Scheme Claim Determination Notice"** means a written notice from the Scheme Administrators to each Scheme Creditor notifying such Scheme Creditor of the amount of its Scheme Claims as at the Record Date;

**"Scheme Consideration Entitlement"** means, in relation to a Scheme Creditor (other than any Existing Debt Administrative Party), its Aoyuan New Securities Entitlement, its New Shares Entitlement and its Transfer Shares Entitlement;

**"Scheme Consideration Pro Rata Proportion"** means, in respect of a Scheme Creditor, the proportion of: (i) the aggregate principal amount outstanding on its Existing Notes Debt and/or Existing Loans Debt held as of the Record Date, together with all accrued and unpaid interest on the same up to and including the Reference Date; to (ii) the aggregate principal amount outstanding of all outstanding Existing Notes Debt and Existing Loans Debt as of the Record Date, together with all accrued and unpaid interest on the same up to and including the Reference Date, expressed as a percentage;

**"Scheme Convening Order"** means the order of the Cayman Court directing that the Scheme Meeting be convened, a copy of which is attached at and substantially in the form of Part B of Appendix 8 (*Scheme Convening Order*) to the Explanatory Statement;

**"Scheme Creditors"** means, those persons who were as at the Record Date, and without double counting:

- (a) the Existing Lenders;
- (b) the Existing Loans Administrative Parties (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on the Existing Loans). The Existing Loans Administrative Parties will not (in accordance with their respective customary practices) exercise any voting rights they may have in respect of the Existing Loans at the Scheme Meeting;
- (c) the Existing Noteholders; and
- (d) the Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Notes Common Depositaries, (solely in their capacities as the beneficiaries of the covenants to pay principal and interest on (i) the Existing Public Notes pursuant to the Existing Public Notes Indentures and (ii) the Existing Private Notes pursuant to the Existing Private Notes Fiscal Agency Agreements (as applicable), and their enforcement rights under the relevant Existing Notes Finance Documents). For the avoidance of doubt, Account Holders and Intermediaries are not Scheme Creditors for the purpose of voting and receiving distributions of the Scheme Consideration Entitlement unless they also have a beneficial interest as principal in the Existing Notes held in global form through the Clearing Systems as at the Record Date (for voting purposes). The Existing Public Notes Trustee, the Existing Private Notes Fiscal Agent and the Existing Notes Common Depositaries (and each of their nominee(s)) will not (in accordance with the relevant Existing Notes Finance Documents and their respective customary practices) exercise any voting rights they may have in respect of the Existing Notes at the Scheme Meeting;

**"Scheme Effective Date"** means the later of:

- (a) the date on which a sealed copy of the Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of this Scheme; and

- (b) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme;

**"Scheme Meeting"** means the meeting of the Scheme Creditors convened in accordance with the Scheme Convening Order to consider and, if thought fit, approve this Scheme, including any adjournment thereof;

**"Scheme Parties"** means, collectively, the Existing Debt Obligors, the Scheme Creditors (and their Designated Recipients, as applicable), the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent, the Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties, and **"Scheme Party"** means any one of them;

**"Scheme Portal"** means <https://portal.morrowsodali.com/aoyuanscheme>;

**"Scheme Sanction Order"** means the sealed copy of the order of the Cayman Court sanctioning this Scheme;

**"Securities Law Representations"** means those necessary affirmative representations to be made by a person for the benefit of the Company as set out in a person's Distribution Confirmation Deed;

**"SGX-ST"** means Singapore Exchange Securities Trading Limited;

**"Solicitation Packet"** means the solicitation packet set out at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement;

**"Sponsor"** means Mr Guo Zi Wen;

**"Subsidiary"** means, in relation to any company, corporation, association or other legal entity (a **"holding company"**), a company, corporation or other legal entity:

- (a) which is controlled, directly or indirectly, by the holding company;
- (b) more than half the issued share capital of which is beneficially owned, directly or indirectly, by the holding company; or
- (c) which is a subsidiary of another Subsidiary of the holding company,

and, for this purpose, a company, corporation, association or other legal entity shall be treated as being controlled by another if that other company, corporation, association or other legal entity is able to determine the composition of the majority of its board of directors or equivalent body;

**"Surviving Rights"** means the obligations of the China Aoyuan Group under sections 7.01(I) and/or 7.06 (as applicable) of each Existing Public Notes Indenture, which survive the termination of the relevant Existing Public Notes Indenture by the express terms thereof;

**"Transaction Website"** means <https://projects.morrowsodali.com/Aoyuan>;

**"Transfer Shares"** means the 400,000,000 Aoyuan Shares, which are beneficially owned by the Sponsor;

**"Transfer Shares Entitlement"** means the entitlement of: (a) each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) to receive Transfer Shares from the Sponsor on: (i) the Restructuring Effective Date; or (ii) if it is an Unadmitted Scheme Creditor, a date on or prior to the Holding Period Expiry Date and in accordance with the terms of the Holding Period Trust Deed; or (b) each Blocked Scheme Creditor to receive its share of the New Shares in accordance with the terms of the Escrow Agreement, in each case, under and pursuant

to the terms of this Scheme, and, if applicable, the Holding Period Trust Deed and Escrow Agreement, and in such amount as calculated pursuant to Clause 5.2;

**"Trust Assets"** has the meaning given to it in the Holding Period Trust Deed;

**"Unadmitted Entitlement"** has the meaning given to it in Clause 7.1;

**"Unadmitted Scheme Creditor"** has the meaning given to it in Clause 7.1;

**"United States"** or **"U.S."** means the United States of America;

**"USD70m CMB Wing Lung Bank Facility (SBLC)"** means the Existing Bilateral Facilities (SBLC) described at item 3 of Part C (*Existing Bilateral Facilities (SBLC)*) of Schedule 2 (*Existing Debt*);

**"USD100m Multi-Prospect Bonds"** means the Existing Private Notes described at item 4 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD100m Multi-Prospect Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 4 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD100m Multi-Prospect Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD100m Noble Prestige Facility"** means the US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan as borrower, Aoyuan Group Company Limited (奥园集团有限公司) as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time;

**"USD100m Noble Prestige Facility Finance Documents"** means each "Finance Document" under and as defined under the USD100m Noble Prestige Facility, all agreements and instruments relating to the USD100m Noble Prestige Facility and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"USD100m Noble Prestige Facility Guarantors"** means, collectively, Add Hero Holdings Limited, Add Lion Profits Limited and Add Right Investments Limited in their capacity as "Offshore Guarantors" under the USD100m Noble Prestige Facility;

**"USD100m Power Linkage Bonds"** means the Existing Private Notes described at item 1 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD100m Power Linkage Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 1 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD100m Power Linkage Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD120m King World Facility"** means the Existing Private Loan described at item 4 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"USD120m King World Facility Finance Documents"** means the USD120m King World Facility and all agreements and instruments relating to the USD120m King World Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD150m King World Facility"** means the Existing Private Loans described at item 5 of Part G (*Existing Private Loans*) of Schedule 2 (*Existing Debt*);

**"USD150m King World Facility Finance Documents"** means the USD150m King World Facility and all agreements and instruments relating to the USD150m King World Facility and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD200m CCB Facility"** means the Existing Other Offshore Financing described at item 4 of Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"USD200m Happy Team Facility"** means the Existing Other Offshore Financing described at item 6 of Part D (*Existing Other Offshore Financings*) of Schedule 2 (*Existing Debt*);

**"USD200m Luck Gain Bonds"** means the Existing Private Notes described at item 3 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD200m Luck Gain Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 3 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD200m Luck Gain Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"USD250m Power Linkage Bonds"** means the Existing Private Notes described at item 2 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*);

**"USD250m Power Linkage Bonds Finance Documents"** means the Existing Private Notes Instrument described at item 2 of Part E (*Existing Private Notes*) of Schedule 2 (*Existing Debt*) and all agreements and instruments relating to the USD250m Power Linkage Bonds and any related guarantee documentation, including all their schedules, appendices and annexes;

**"Voting Instruction Deadline"** means being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023; and

**"Work Fee"** means the work fee payable to the Ad Hoc Group and certain members of the CoCom in accordance with the terms of certain letter agreements entered into by China Aoyuan, Add Hero and certain members of the Ad Hoc Group and CoCom.

## Part B Interpretation

- 1** In this Scheme, unless the context otherwise requires or otherwise expressly provides for:
- (a) references to "Clauses", "Schedules" and "Recitals" are references to the Clauses, Schedules and Recitals, respectively, of this Scheme;
  - (b) references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required Custody Instruction or other required instruction to or through a Clearing System, or submitting an Account Holder Letter or Lender Proxy Form (as applicable) via the Scheme Portal);
  - (c) any references to a Scheme Creditor shall be references to a Scheme Creditor in its capacity as an Existing Noteholder and/or Existing Lender (as applicable), and a Scheme Creditor shall be required to take all steps and actions required in this Scheme to be taken by a Scheme Creditor in any such capacity (as applicable);
  - (d) references to a "person" include references to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency and shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (e) all references to "**USD**" or "**US\$**" are to the lawful currency for the time being of the United States, all references to "**HKD**" or "**HK\$**" are to the lawful currency for the time being of Hong Kong and all references to "**RMB**" or "**CNH**" are to the lawful currency for the time being of the PRC;
  - (f) references to a statute or statutory provision include the same as subsequently modified, amended or re-enacted from time to time;
  - (g) references to a document include the same as subsequently supplemented, amended and/or restated from time to time;
  - (h) references to "writing" or "written" includes email;
  - (i) the singular includes the plural and vice versa, and words importing one gender shall include all genders;
  - (j) the term "including" means "including, without limitation";
  - (k) the words "other" and "otherwise" are illustrative and shall not limit the sense of the words preceding them; and
  - (l) headings are for ease of reference only and shall not affect the interpretation of this Scheme.
- 2** To the extent that there is any conflict or inconsistency between the terms of this Scheme and the Explanatory Statement, the terms of this Scheme shall prevail.
- 3** References to any figures or amounts in this Scheme are subject to:

- (a) potential modifications or adjustments under Clause 11.2 (*Fractional entitlements*) or otherwise as a result of any rounding or other calculation or allocation procedures set out herein; and
- (b) such minor or technical amendments or any amendments to correct manifest errors as may be agreed by or on behalf of the Company.



## Schedule 2 Existing Debt

### Part A Existing Public Notes

S/n	Description of Existing Public Notes	ISIN	Existing Public Notes Indenture
1.	US\$250,000,000 5.375% Senior Notes Due 2022	XS1611005957	As constituted by the indenture dated 13 September 2017, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB Trustees (Hong Kong) Limited ("DB") as trustee.
2.	US\$188,000,000 4.2% Senior Notes Due 2022	XS2282587505	As constituted by the indenture dated 21 January 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
3.	US\$500,000,000 8.5% Senior Notes Due 2022	XS1937690128	As constituted by the indenture dated 23 January 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
4.	US\$200,000,000 8.0% Senior Notes Due 2022	XS2264537684	As constituted by the indenture dated 22 January 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
5.	US\$50,000,000 8.5% Senior Notes Due 2022	XS2378476951	As constituted by the indenture dated 31 August 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
6.	US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series	XS1952585112	As constituted by the indenture dated 19 February 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.

7.	US\$200,000,000 7.35% Senior Notes Due 2023	XS2014471432	As constituted by the indenture dated 21 June 2019, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
8.	US\$460,000,000 6.35% Senior Notes Due 2024	XS2196807833	As constituted by the indenture dated 2 July 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
9.	US\$200,000,000 7.95% Senior Notes Due 2024	XS2351242461	As constituted by the indenture dated 21 June 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
10.	US\$230,000,000 5.98% Senior Notes Due 2025	XS2258822233	As constituted by the indenture dated 18 November 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
11.	US\$350,000,000 6.2% Senior Notes Due 2026	XS2233109409	As constituted by the indenture dated 24 September 2020, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.
12.	US\$350,000,000 5.88% Senior Notes Due 2027	XS2307633565	As constituted by the indenture dated 1 March 2021, as amended, supplemented, or otherwise modified from time to time, between China Aoyuan Group Limited, the subsidiary guarantors therein and DB as trustee.

## Part B

### Existing Syndicated Facilities

S/n	Description of Existing Syndicated Facilities
1.	The HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time
2.	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time
3.	The HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

## Part C

### Existing Bilateral Facilities (SBLC)

S/n	Description of Existing Bilateral Facilities (SBLC)
1.	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender
2.	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between China Aoyuan Group Limited as borrower and The Bank of East Asia, Limited as lender
3.	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between China Aoyuan Group Limited as borrower and CMB Wing Lung Bank Limited as lender
4.	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021, entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender

## Part D

### Existing Other Offshore Financings

S/n	Description of Existing Other Offshore Financings
1.	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and China CITIC Bank International Limited as lender
2.	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as lender
3.	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between China Aoyuan Group Limited as borrower and Chiyu Banking Corporation Limited as lender
4.	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, China Aoyuan Group Limited as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time
5.	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder
6.	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time

## Part E

### Existing Private Notes

S/n	Description of Existing Private Notes	ISIN	Existing Private Notes Instruments
1.	US\$100,000,000 6.00% guaranteed Bonds Due 2022	XS2190931365	As constituted by (i) the deed of covenant dated 19 June 2020 and fiscal agency agreement dated 19 June 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) the deed of guarantee dated 19 June 2020 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
2.	US\$250,000,000 10.75% guaranteed Bonds Due 2022	XS2372877469	As constituted by (i) the deed of covenant dated 18 August 2021 and fiscal agency agreement dated 18 August 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) the deed of guarantee dated 18 August 2021 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
3.	US\$200,000,000 7.38% guaranteed Bonds Due 2021	XS2265803283	As constituted by (i) the deed of covenant dated 10 December 2020 and fiscal agency agreement dated 10 December 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Luck Gain Limited, and (ii) the deed of guarantee dated 10 December 2020 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.
4.	US\$100,000,000 6.05% guaranteed Bonds Due 2022	XS2282540025	As constituted by (i) the deed of covenant dated 21 January 2021 and fiscal agency agreement dated 21 January 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Multi-Prospect Limited, and (ii) the deed of guarantee dated 21 January 2021 entered into by China Aoyuan Group Limited as guarantor, as amended, supplemented, or otherwise modified from time to time.

## Part F

### Existing Onshore Facilities

S/n	Description of Existing Onshore Facilities
1.	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion
2.	Fixed assets loan between 成都市奥誉置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million
3.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million
4.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB240 million
5.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million
6.	M&A loan between 奥园集团（广东）有限公司 (Borrower) and 中国工商银行股份有限公司广州荔湾支行 (Lender) amounting to RMB600 million
7.	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
8.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
9.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
10.	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
11.	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
12.	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a

	Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
13.	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
14.	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
15.	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
16.	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
17.	Loan between 天津凯华奎恩房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)
18.	Loan between 重庆中翡岛置业有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)



## Part G

### Existing Private Loans

S/n	Description of Existing Private Loans
1.	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as borrower, China Aoyuan Group Limited as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time
2.	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time
3.	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, China Aoyuan Group Limited as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility
4.	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time
5.	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time

### Schedule 3

#### List of Existing Public Notes Guarantors and Existing Syndicated Facilities Guarantors

1. Able Run Management Limited
2. Able Sharp Limited (力鋒有限公司)
3. Ace Super International Limited (佳超國際有限公司)
4. Ace Will Holdings Limited
5. Act Fast Investments Limited
6. Act Now International Limited
7. Active Top Group Limited (騰峰集團有限公司)
8. Add Gain Investments Limited
9. Add Hero Holdings Limited
10. Add Lion Profits Limited
11. Add Move Investments Limited
12. Add Power Investments Limited
13. Add Right Investments Limited
14. Add Union Management Limited (添盟管理有限公司)
15. Alchmede Holdings Limited
16. All Favour Investments Limited
17. All New Profits Limited
18. Allied Era Investments Limited (時邦投資有限公司)
19. Allywin Limited (凱盟有限公司)
20. Ample Mount Holdings Limited (沛升控股有限公司)
21. Asiacity Development Limited
22. Auto High Management Limited
23. Auto Joy Enterprises Limited
24. Auto Smart Profits Limited
25. Cheng Jie Limited (成捷有限公司)
26. Earning Ever Limited (永財有限公司)
27. Happy Genius Management Limited (悅萃管理有限公司)
28. Head Hero International Limited (雄澤國際有限公司)
29. Head Win Limited
30. High Boom International Limited (高旺國際有限公司)
31. Kingmind Limited
32. Rising Bright International Limited (昇輝國際有限公司)
33. Rising Fast Management Limited (升迅管理有限公司)
34. Sharp Mate International Limited (智迅國際有限公司)
35. Sky Jade Group Limited (天鈺集團有限公司)
36. Sleek Rich Limited (富澤有限公司)
37. Soar Wealth Limited (昇富有限公司)
38. Teleimon International Limited
39. United Joy Management Limited (合喜管理有限公司)
40. Vagatori International Limited
41. Wang Teng Limited (旺騰有限公司)
42. Warkaville Holdings Limited
43. Win Hero Group Limited
44. Wisdom First Holdings Limited (智先控股有限公司)
45. Yolinga International Limited

46. Zhen Fu Limited (振富有限公司)
47. Ace Crown Limited
48. Add Energy Property Investment Holdings Limited
49. Allied Channel Limited
50. Alpha Winner Limited
51. Anway Investment Limited
52. Aoyuan Cannes Investments and Development Limited
53. Aoyuan Grand Place Investments and Development Limited
54. Asia Prime Limited
55. Asia Profit International Limited
56. Bright Oriental Limited
57. Canton Link Investment Limited
58. CAPG Limited
59. Century Earth Limited
60. Channel Time International Limited
61. Charmtex Holdings Limited
62. Cheer King International Limited
63. China Aoyuan Financial Management Limited
64. China Aoyuan Investments Limited
65. China Aoyuan Property Development Limited
66. China Planet Limited
67. Citiasia (H.K.) Limited
68. Cityfair Investment Limited
69. East Grand Development Limited
70. East Harvest Investment Limited
71. Everward Development Limited
72. Fairbo International Limited
73. Fully Rise Development Limited
74. Gold Lucky Limited
75. Land Sino Development Limited
76. Landco Development Limited
77. Magic Falcon Development Limited
78. Million Wealthy Development Limited
79. New Aoyuan City Investments and Development Limited
80. Olympic City Investments and Development Limited
81. Olympic Village Investments and Development Limited
82. Onwin Enterprises Limited
83. Sanbo Holdings Limited
84. Sino Trend Investment Limited
85. Speed Winner Limited
86. Topfair International Limited
87. Up Wealth Investment Limited
88. Winwick Development Limited

**APPENDIX 4**  
**NOTICE OF SCHEME MEETING**

**Part A**

**CHINA AOYUAN HK SCHEME**

**[See over page]**

**NOTICE OF SCHEME MEETING**

**HCMP 1696 / 2023**

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. 1696 OF 2023**

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**IN THE MATTER OF CHINA AOYUAN GROUP  
LIMITED (中國奧園集團股份有限公司)**

**and**

**IN THE MATTER OF section 670 of the  
Companies Ordinance, Chapter 622 of the  
Laws of Hong Kong**

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Unless otherwise defined herein, terms used in this Notice have the same meanings as defined in the explanatory statement (the "**Explanatory Statement**") relating to the proposed schemes of arrangement between China Aoyuan Group Limited (中國奧園集團股份有限公司) (the "**Company**") and the Scheme Creditors (as defined therein) under (i) section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and (ii) sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**"). For the avoidance of doubt, references to "**Scheme Creditors**" in this Notice shall exclude any Sanctioned Scheme Creditors, who are not entitled to vote in the Scheme Meeting and who are required to notify the Company of their status instead.

Copies of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet are available for download from the Transaction Website (<https://projects.morrowsodali.com/Aoyuan>) subject to eligibility and registration.

**NOTICE IS HEREBY GIVEN** that,

- (i) by an order made on 31 October 2023 (the "**China Aoyuan Cayman Scheme Convening Order**"), the Grand Court of the Cayman Islands (the "**Cayman Court**") has directed that a meeting of Scheme Creditors (the "**Cayman Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan Cayman Scheme (with or without modification, addition or condition approved or imposed by the Cayman Court); and
- (ii) by an order made on 31 October 2023 (the "**China Aoyuan HK Scheme Convening Order**"), the High Court of the Hong Kong Special Administrative Region (the "**HK Court**") has directed that a meeting of Scheme Creditors (the "**HK Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan HK Scheme (with or without modification, addition or condition approved or imposed by the HK Court).

## Details of Scheme Meeting

The Cayman Scheme Meeting and the HK Scheme Meeting of the China Aoyuan Schemes (collectively, the “**Scheme Meeting**”) will be held together at the offices of Linklaters at 11th Floor Alexandra House, Chater Road, Hong Kong (“**Linklaters Hong Kong Office**”), at **8 p.m. Hong Kong time on 28 November 2023, the equivalent being 7 a.m. Cayman Islands time on 28 November 2023** with a live video conference linked to the offices of Harney Westwood & Riegels at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands (“**Harneys Cayman Office**”) at **7 a.m. Cayman Islands time on 28 November 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid contact details).

Scheme Creditors will be able to attend the Scheme Meeting either in person, by a duly authorised representative (if a corporation) or by proxy provided that an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) has been validly submitted in relation to their Existing Debts. As Scheme Creditors will be able to attend in person at either the Linklaters Hong Kong Office or the Harneys Cayman Office to view the live video conference of the Scheme Meeting; therefore, references to attending and voting at the Scheme Meeting in person in this Notice should, as appropriate, be read as including attending at either the Linklaters Hong Kong Office or the live video conference at the Harneys Cayman Office.

Scheme Creditors do not have to personally attend the Scheme Meeting in order to express their vote, provided that they validly complete and submit their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) by the relevant deadlines, and appoint the Chairperson as their proxy, or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) for the purposes of expressing their vote.

Telephone and video conference facilities will also be made available to Scheme Creditors upon request to (i) the Information Agent (for Scheme Creditors who are not Blocked Scheme Creditors); or (ii) the Blocked Scheme Creditor Tabulation Agent (for Blocked Scheme Creditors), in each case, at least forty-eight (48) hours before the Scheme Meeting. Scheme Creditors who dial in by telephone or video conference facilities will only be able to observe the Scheme Meeting and to ask questions (but not to cast their vote). Scheme Creditors will be sent instructions for dialing in via telephone or video conference upon providing the Information Agent or Blocked Scheme Creditor Tabulation Agent (as applicable) with satisfactory evidence of their identity and/or their authority (in the case of a corporation) to represent the Scheme Creditor.

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they only observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy (including appointing the Chairperson as proxy) at the Linklaters Hong Kong Office or at the Harneys Cayman Office. Scheme Creditors who have validly completed and submitted their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) appointing the Chairperson as proxy or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) to express their vote, may in addition, request for the telephone and video conference facilities to observe the Scheme Meeting and to ask questions.

## Completion of voting forms

Scheme Creditors may vote in person (or, if a corporation, appoint a duly authorised representative) or appoint the Chairperson as their proxy or appoint a proxy other than the Chairperson to attend and vote in their place. A Scheme Creditor should indicate whether it wishes to attend and vote at the Scheme Meeting in person (or if a corporation, by a duly authorised representative), or to appoint a proxy to vote on its behalf at the Scheme Meeting in (i) Part 2 (*Voting and Appointment of Proxy*)

of the Account Holder Letter or Lender Proxy Form for Scheme Creditors who are not Blocked Scheme Creditors; or (ii) Part 2 (*Voting and Appointment of Proxy*) of the Blocked Scheme Creditor Form for Blocked Scheme Creditors (as applicable).

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they observe the Scheme Meeting via telephone or video conference facilities rather than attend in person.

*Scheme Creditors (who are not Blocked Scheme Creditors)*

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Scheme Creditor must ensure that:

- (i) in respect of the Existing Public Noteholders only, a Custody Instruction is submitted on its behalf by the **Custody Instruction Deadline** (being **5 p.m. Hong Kong time on 15 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 15 November 2023**) and in any event prior to submitting an Account Holder Letter (in accordance with the instructions set out in the Account Holder Letter and Solicitation Packet); and
- (ii) the Account Holder Letter or the Lender Proxy Form (as applicable) has been validly completed and submitted on its behalf to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanscheme>) (in accordance with the instructions set out in the Account Holder Letter or the Lender Proxy Form, and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being **5 p.m. Hong Kong time on 20 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 20 November 2023**).

*Blocked Scheme Creditors*

Blocked Scheme Creditors are Scheme Creditors that are not entitled, able, permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions license in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Blocked Scheme Creditor must ensure the Blocked Scheme Creditor Form (including the required supporting evidence to establish their identity, status as a Scheme Creditor and the value of their holding) has been validly completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) (in accordance with the instructions set out in the Blocked Scheme Creditor Form and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being **5 p.m. Hong Kong time on 20 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 20 November 2023**).

**Registration prior to Scheme Meeting**

Registration at the Scheme Meeting will commence at **6 p.m. Hong Kong time on 28 November 2023**, the equivalent being **5 a.m. Cayman Islands time on 28 November 2023**.

Each Scheme Creditor (or, if a corporation, its duly authorised representative) or its proxy intending to attend the Scheme Meeting in person at the Linklaters Hong Kong Office or at the Harneys Cayman Office: (i) will be required to register its attendance at the Scheme Meeting no later than half an hour prior to the scheduled start time of the Scheme Meeting; and (ii) must produce a duplicate copy of the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) validly completed and submitted by or on behalf of that Scheme Creditor or Blocked



Scheme Creditor (as applicable) together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk. If the appropriate personal identification and authorisation evidence is not produced, that person may not be permitted to attend, or vote at, the Scheme Meeting. If a Scheme Creditor appoints the Chairperson as its proxy, there is no need for the Chairperson to take the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) to the Scheme Meeting.

### **Chairperson of Scheme Meeting**

Pursuant to the China Aoyuan Cayman Scheme Convening Order and the China Aoyuan HK Scheme Convening Order, the Cayman Court and HK Court have each appointed Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong ("**A&M**"), and/or Mr. James William Hooper, a Managing Director of A&M, or such other representative of A&M to act as the Chairperson of the Scheme Meeting and have directed the Chairperson, in their capacity as the Chairperson of the Scheme Meeting, to report the results of the Scheme Meeting to the Cayman Court and HK Court within seven (7) days of the date of the Scheme Meeting. The results of the Scheme Meeting will also be made available on the Transaction Website.

### **Sanction Hearing**

The respective China Aoyuan Schemes, if approved at the Scheme Meeting, will be subject to the subsequent approval and sanction of each of the Cayman Court and HK Court. The China Aoyuan Cayman Scheme Sanction Hearing is presently listed to be heard at **10 a.m. Cayman Islands time on 7 December 2023**, the equivalent being **11 p.m. Hong Kong time on 7 December 2023**. The China Aoyuan HK Scheme Sanction Hearing is presently listed to be heard at **10 a.m. Hong Kong time on 8 January 2024**, the equivalent being **9 p.m. Cayman Islands time on 7 January 2024**. Any Scheme Creditor is entitled (but not obliged) to attend the China Aoyuan Cayman Scheme Sanction Hearing and/or China Aoyuan HK Scheme Sanction Hearing, through legal counsel, to support or oppose the sanction of the China Aoyuan Schemes.

### **Further information**

For further information, please contact the Information Agent, the Blocked Scheme Creditor Tabulation Agent or the Company's financial adviser or legal adviser (as applicable), in each case, using the contact details below:

#### **Information Agent**

##### **Morrow Sodali Limited**

Address:

In Hong Kong: 29/F, No. 28 Stanley Street, Central, Hong Kong

In London: 103 Wigmore Street, W1U 1QS, London, United Kingdom

Phone: Hong Kong: + 852 2319 4130 / London: +44 20 4513 6933

Transaction Website (document posting website):

<https://projects.morrowsodali.com/Aoyuan>

Scheme Portal (for submission of the Account Holder Letter or the Lender Proxy Form):  
<https://portal.morrowsodali.com/aoyuanscheme>

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

**Blocked Scheme Creditor Tabulation Agent**

**Madison Pacific Corporate Services Ltd**

Address:

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong SAR

Phone: +852 2599 9500

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

**Financial Adviser to the Company**

**KPMG**

Address: 8<sup>th</sup> Floor, Prince's Building, 10 Chater Road, Central, Hong Kong

Phone: +852 2522 6022

Email: [aoyuan.restructuring@kpmg.com](mailto:aoyuan.restructuring@kpmg.com)

**Legal Adviser to the Company**

**Linklaters**

Address:

In Hong Kong: 11th Floor, Alexandra House, Chater Road, Hong Kong

In Singapore: 1 George St, Singapore, 049145

Phone: Hong Kong: +852 2842 4888 / Singapore: +65 6692 5700

Email: [dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com)

**Cayman Islands Legal Adviser to the Company**

**Harney Westwood & Riegels**

Address

In the Cayman Islands: 3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

In Hong Kong: 3501, The Center, 99 Queen's Road Central, Hong Kong

Phone: Cayman Islands: +1 345 949 8599 / Hong Kong: +852 5806 7800

Email: [Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Dated: 7 November 2023

## 计划会议通知书

HCMP 1696 / 2023

香港特别行政区高等法院  
原讼法庭  
杂项案件编号：2023 年第 1696 号

关于中国奥园集团股份有限公司  
及  
关于香港法例第 622 章《公司条例》第 670 条

中国奥园集团股份有限公司

除文中另有定义外，本**通知书**所用词汇与中国奥园集团股份有限公司（“**公司**”）和**计划债权人**（定义见**说明陈述**）根据(i) 开曼群岛《公司法》（2023年修订版）第86条（“**中国奥园开曼群岛计划**”）及(ii) 香港《公司条例》（第 622 章）第 670条、第673条和第 674 条（“**中国奥园香港计划**”，与**中国奥园开曼群岛计划**合称“**中国奥园计划**”）拟订的安排计划有关的说明陈述（“**说明陈述**”）所定义者具有相同含义。为免生疑问，本**通知书**所提述的“**计划债权人**”不包括任何**受制裁计划债权人**，后者无权在**计划会议**上投票，并且必须将其情况通知**公司**。

中国奥园计划、说明陈述和招揽文件包的副本可从**交易网站**

（<https://projects.morrowsodali.com/Aoyuan>）下载，前提是须符合资格条件并进行登记。

特此就下列事项发出通知：

- (i) 根据2023年10月31日发布的命令（“**中国奥园开曼群岛计划召开令**”），开曼群岛大法院（“**开曼群岛法院**”）指示召开**计划债权人会议**（“**开曼群岛计划会议**”），以审议并酌情批准**中国奥园开曼群岛计划**（无论是否附带**开曼群岛法院**批准或施加的修改、补充或条件）；及
- (ii) 根据2023年10月31日发布的命令（“**中国奥园香港计划召开令**”），香港特别行政区高等法院（“**香港法院**”）指示召开**计划债权人会议**（“**香港计划会议**”），以审议并酌情批准**中国奥园香港计划**（无论是否附带**香港法院**批准或施加的修改、补充或条件）。

### 计划会议的细节

中国奥园计划的**开曼群岛计划会议**及**香港计划会议**（合称为“**计划会议**”）将于**香港时间2023年11月28日下午8时**（相当于**开曼群岛时间2023年11月28日上午7时**）在年利达律师事务所位于香港遮打道历山大厦11楼的办公地址（“**年利达香港办事处**”）一并进行，并于**开曼群岛时间2023年11月28日上午7时**在Harney Westwood & Riegels位于3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands 的办公地址（“**衡力斯开曼群岛办事处**”）连接现场视频会议。**计划会议**可酌情延期举行（在此情况下，有关**计划会议**安排的任何变更应于**计划会议**前在**交易网站**上、以通过**结算系统**发出通知的方式及向**计划债权人**、**账户持有人**、**现有贷款人**和**中介机构**（**信息代理**拥有其有效联系方式）发出电邮的方式通知）。

**计划债权人**可亲自、由正式授权代表（如为法团）或委任代表出席**计划会议**，前提是已就其**现有债务**有效提交**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）。由于**计划债权人**可以以前往**年利达香港办事处**参会或以前往**衡力斯开曼群岛办事处**观看**计划会议**的现场视频会议

的方式亲自出席；因此，在本**通知书**中所提及的亲自出席**计划会议**及于会上投票，应视情况被视为包括前往**年利达香港办事处**参会或在**衡力斯开曼群岛办事处**参加现场视频会议。

**计划债权人**不必为行使投票权而亲自出席**计划会议**，前提是其已在有关截止时间之前有效填写并提交其**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定），并委任**主席**或**主席**以外之代表（代表其出席**计划会议**）担任其代表以行使投票权。

**计划债权人**如在**计划会议**举行至少四十八（48）小时前向（i）**信息代理**（适用于非**受禁计划债权人**的**计划债权人**）或（ii）**受禁计划债权人计票代理**（适用于**受禁计划债权人**）提出要求，亦可使用电话及视频会议设施。通过电话或视频会议拨入的**计划债权人**仅可列席**计划会议**及提问（但不能投票）。在向**信息代理**或**受禁计划债权人计票代理**（视情况而定）提供其身份及/或代表**计划债权人**之权限（如为法团）的适当证明后，**计划债权人**将收到电话或视频会议的拨入说明。

为免生疑问，**计划债权人**、其正式授权代表（如为法团）或其委任代表若仅通过电话或视频会议列席而非亲自出席**计划会议**，则不能在**计划会议**上投票。若**计划债权人**希望投票，则需要在**年利达香港办事处**或在**衡力斯开曼群岛办事处**亲自出席或委任代表（包括委任**主席**担任代表）出席。有效填写并提交**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）委任**主席**或**主席**以外之代表（代表其出席**计划会议**）作为代表投票的**计划债权人**可以额外申请电话和视频会议设施以列席**计划会议**及提问。

#### **填写投票表**

**计划债权人**可亲自（或如为法团，则委任正式授权代表）或委任**主席**为受委代表或委任**主席**以外的受委代表代其出席**计划会议**并在会上投票。**计划债权人**应当(i)对非**受禁计划债权人**而言，在**账户持有人函**或**贷款人代表委任表**第 2 部分（投票及委任代表）；或 (ii) 对**受禁计划债权人**而言，在**受禁计划债权人表**第 2 部（投票及委任代表）（视情况而定），表明是否希望亲自（或如为法团，则由正式授权代表）出席**计划会议**并在会上投票，或委任代表代其在**计划会议**上投票。

为免生疑问，**计划债权人**、其正式授权代表（如为法团）或其受委代表如通过电话或视频会议设施列席而非亲自出席**计划会议**，将无法在**计划会议**上投票。

#### **计划债权人（非受禁计划债权人）**

为就**中国奥园计划**投票并出席**计划会议**（亲自、由正式授权代表（如为法团）或受委代表），**计划债权人**必须确保：

- (i) 仅就**现有公众票据持有人**而言，在**托管指示截止日期**（即**香港时间2023年11月15日下午5时**，相当于**开曼群岛时间2023年11月15日上午4时**）前，且无论如何提交**账户持有人函**前，**托管指示**已代其提交（根据**账户持有人函**及**招揽文件包**所载指示）；及
- (ii) **账户持有人函**或**贷款人代表委任表**（视情况而定）已有效填妥，并代表其于不迟于**投票指示截止日期**（即**香港时间2023年11月20日下午5时**，相当于**开曼群岛时间2023年11月20日上午4时**）通过**计划门户网站**（<https://portal.morrowsodali.com/aoyuanscheme>）提交予**信息代理**，并由**信息代理**接收。

#### **受禁计划债权人**

**受禁计划债权人**指因影响**计划债权人**或其托管人的任何**适用制裁**而无权、不能、不获允许（不论直接或通过托管人）通过**结算系统**提交指示或进行结算的**计划债权人**，且其并未就**适用制裁**获发容许该**计划债权人**自由交易**计划对价权益**及通过**结算系统**提交指示或进行结算的制裁许可。

为就**中国奥园计划**投票及出席**计划会议**（亲自、由正式授权代表（如为法团）或受委代表），**受禁计划债权人**必须确保已填妥**受禁计划债权人表**（包括所需证明其身份、**计划债权人**地位及持有价值

的证明文件），并于不迟于**投票指示截止日期**（即**香港时间2023年11月20日下午5时**，相当于**开曼群岛时间2023年11月20日上午4时**）通过电邮 [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)（根据**受禁计划债权人表**及**招揽文件包**所载指示）送交**受禁计划债权人计票代理**并由其接收。

## 在计划会议前登记

**计划会议**的登记将从**香港时间2023年11月28日下午6时**，相当于**开曼群岛时间2023年11月28日上午5时**开始。

有意亲自前往**年利达香港办事处**或**衡力斯开曼群岛办事处**出席**计划会议**的各**计划债权人**（或如为法团，则其正式授权代表）或其受委代表：(i) 须于**计划会议**预定开始时间前至少半小时登记出席**计划会议**；及(ii) 必须在登记柜台出示由该**计划债权人**或**受禁计划债权人**（视情况而定）或代其有效填妥及递交的**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）的副本，连同公司授权证明（如为法团）（例如有效授权书及 / 或董事会决议案）及身份证明（即有效护照正本或其他政府签发的附有照片的身份证明文件正本）。如果未出示适当的身份证明和授权证明，该人士将不被允许出席**计划会议**或在**计划会议**上投票。如**计划债权人**委任**主席**为其代表，**主席**无须携带**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）出席**计划会议**。

## 计划会议主席

根据**中国奥园开曼群岛计划召开令**及**中国奥园香港计划召开令**，**开曼群岛法院**及**香港法院**已分别委任 Alvarez & Marsal Asia Limited（“**A&M**”）（地址为香港中环雪厂街2号圣佐治大厦4楼405-7室）董事总经理 Edward Simon Middleton 先生及 / 或 **A&M** 董事总经理 James William Hooper 先生或 **A&M** 的其他代表担任**计划会议主席**，并指示**主席**以**计划会议主席**的身份，在**计划会议**日期后七（7）天内向**开曼群岛法院**及**香港法院**报告**计划会议**的结果。**计划会议**的结果也将在**交易网站**上公布。

## 认许聆讯

如在**计划会议**上获得批准，**中国奥园计划**随后须分别获得**开曼群岛法院**及**香港法院**的批准和认许。**中国奥园开曼群岛计划认许聆讯**目前定于**开曼群岛时间2023年12月7日上午10时**，相当于**香港时间2023年12月7日下午11时**进行。**中国奥园香港计划认许聆讯**目前定于**香港时间2024年1月8日上午10时**，相当于**开曼群岛时间2024年1月7日下午9时**进行。任何**计划债权人**均有权（但非必须）通过法律代表出席**中国奥园开曼群岛计划认许聆讯**及 / 或**中国奥园香港计划认许聆讯**，以支持或反对认许**中国奥园计划**。

## 进一步信息

如需了解更多信息，请通过以下联系方式联系**信息代理**、**受禁计划债权人计票代理**或公司的财务顾问或法律顾问（视情况而定）：

### 信息代理

**Morrow Sodali Limited**

地址：

香港：香港中环士丹利街28号29楼

伦敦：103 Wigmore Street, W1U 1QS, London, United Kingdom

电话：香港：+ 852 2319 4130 / 伦敦：+44 20 4513 6933

交易网站（文件发布网站）：<https://projects.morrowsodali.com/Aoyuan>

计划门户网站（用于提交账户持有人函或贷款人委任表）：  
<https://portal.morrowsodali.com/aoyuanscheme>

电邮：[aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

**受禁计划债权人计票代理**

**Madison Pacific Corporate Services Ltd**

地址：

香港特别行政区香港金钟夏慼道16号远东金融中心17楼

电话：+852 2599 9500

电邮：[Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

**公司财务顾问**

**KPMG**

地址：香港中环遮打道10号太子大厦8楼

电话：+852 2522 6022

电邮：[aoyuan.restructuring@kpmg.com](mailto:aoyuan.restructuring@kpmg.com)

**公司法律顾问**

**年利达**

地址：

香港：香港遮打道历山大厦 11 楼

新加坡：1 George St, Singapore, 049145

电话：香港：+852 2842 4888 / 新加坡：+65 6692 5700

电邮：[dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com)

**公司开曼群岛法律顾问**

**Harney Westwood & Riegels**

地址：

开曼群岛：3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

香港：香港中环皇后大道中 99 号中环中心3501室

电话：开曼群岛：+1 345 949 8599 / 香港：+852 5806 7800

电邮：[Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**中国奥园集团股份有限公司**

日期：2023年11月7日

**Part B**

**CHINA AOYUAN CAYMAN SCHEME**

**[See over page]**



## NOTICE OF SCHEME MEETING

IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 0284 OF 2023 (DDJ)

IN THE MATTER OF SECTION 86 OF THE COMPANIES ACT (2023 REVISION)  
AND IN THE MATTER OF CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Unless otherwise defined herein, terms used in this Notice have the same meanings as defined in the explanatory statement (the "**Explanatory Statement**") relating to the proposed schemes of arrangement between China Aoyuan Group Limited (中國奧園集團股份有限公司) (the "**Company**") and the Scheme Creditors (as defined therein) under (i) section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and (ii) sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**"). For the avoidance of doubt, references to "**Scheme Creditors**" in this Notice shall exclude any Sanctioned Scheme Creditors, who are not entitled to vote in the Scheme Meeting and who are required to notify the Company of their status instead.

Copies of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet are available for download from the Transaction Website (<https://projects.morrowsodali.com/Aoyuan>) subject to eligibility and registration.

**NOTICE IS HEREBY GIVEN** that,

- (i) by an order made on 31 October 2023 (the "**China Aoyuan Cayman Scheme Convening Order**"), the Grand Court of the Cayman Islands (the "**Cayman Court**") has directed that a meeting of Scheme Creditors (the "**Cayman Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan Cayman Scheme (with or without modification, addition or condition approved or imposed by the Cayman Court); and
- (ii) by an order made on 31 October 2023 (the "**China Aoyuan HK Scheme Convening Order**"), the High Court of the Hong Kong Special Administrative Region (the "**HK Court**") has directed that a meeting of Scheme Creditors (the "**HK Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan HK Scheme (with or without modification, addition or condition approved or imposed by the HK Court).

### **Details of Scheme Meeting**

The Cayman Scheme Meeting and the HK Scheme Meeting of the China Aoyuan Schemes (collectively, the "**Scheme Meeting**") will be held together at the offices of Linklaters at 11th Floor Alexandra House, Chater Road, Hong Kong ("**Linklaters Hong Kong Office**"), at **8 p.m. Hong Kong time on 28 November 2023, the equivalent being 7 a.m. Cayman Islands time on 28 November 2023** with a live video conference linked to the offices of Harney Westwood & Riegels at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands ("**Harneys Cayman Office**") at **7 a.m. Cayman Islands time on 28 November 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid contact details).



Scheme Creditors will be able to attend the Scheme Meeting either in person, by a duly authorised representative (if a corporation) or by proxy provided that an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) has been validly submitted in relation to their Existing Debts. As Scheme Creditors will be able to attend in person at either the Linklaters Hong Kong Office or the Harneys Cayman Office to view the live video conference of the Scheme Meeting; therefore, references to attending and voting at the Scheme Meeting in person in this Notice should, as appropriate, be read as including attending at either the Linklaters Hong Kong Office or the live video conference at the Harneys Cayman Office.

Scheme Creditors do not have to personally attend the Scheme Meeting in order to express their vote, provided that they validly complete and submit their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) by the relevant deadlines, and appoint the Chairperson as their proxy, or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) for the purposes of expressing their vote.

Telephone and video conference facilities will also be made available to Scheme Creditors upon request to (i) the Information Agent (for Scheme Creditors who are not Blocked Scheme Creditors); or (ii) the Blocked Scheme Creditor Tabulation Agent (for Blocked Scheme Creditors), in each case, at least forty-eight (48) hours before the Scheme Meeting. Scheme Creditors who dial in by telephone or video conference facilities will only be able to observe the Scheme Meeting and to ask questions (but not to cast their vote). Scheme Creditors will be sent instructions for dialing in via telephone or video conference upon providing the Information Agent or Blocked Scheme Creditor Tabulation Agent (as applicable) with satisfactory evidence of their identity and/or their authority (in the case of a corporation) to represent the Scheme Creditor.

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they only observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy (including appointing the Chairperson as proxy) at the Linklaters Hong Kong Office or at the Harneys Cayman Office. Scheme Creditors who have validly completed and submitted their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) appointing the Chairperson as proxy or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) to express their vote, may in addition, request for the telephone and video conference facilities to observe the Scheme Meeting and to ask questions.

### **Completion of voting forms**

Scheme Creditors may vote in person (or, if a corporation, appoint a duly authorised representative) or appoint the Chairperson as their proxy or appoint a proxy other than the Chairperson to attend and vote in their place. A Scheme Creditor should indicate whether it wishes to attend and vote at the Scheme Meeting in person (or if a corporation, by a duly authorised representative), or to appoint a proxy to vote on its behalf at the Scheme Meeting in (i) Part 2 (*Voting and Appointment of Proxy*) of the Account Holder Letter or Lender Proxy Form for Scheme Creditors who are not Blocked Scheme Creditors; or (ii) Part 2 (*Voting and Appointment of Proxy*) of the Blocked Scheme Creditor Form for Blocked Scheme Creditors (as applicable).

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they observe the Scheme Meeting via telephone or video conference facilities rather than attend in person.

#### **Scheme Creditors (who are not Blocked Scheme Creditors)**

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Scheme Creditor must ensure that:

- (i) in respect of the Existing Public Noteholders only, a Custody Instruction is submitted on

its behalf by the **Custody Instruction Deadline** (being **5 p.m. Hong Kong time on 15 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 15 November 2023**) and in any event prior to submitting an Account Holder Letter (in accordance with the instructions set out in the Account Holder Letter and Solicitation Packet); and

- (ii) the Account Holder Letter or the Lender Proxy Form (as applicable) has been validly completed and submitted on its behalf to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanscheme>) (in accordance with the instructions set out in the Account Holder Letter or the Lender Proxy Form, and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being **5 p.m. Hong Kong time on 20 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 20 November 2023**).

#### **Blocked Scheme Creditors**

Blocked Scheme Creditors are Scheme Creditors that are not entitled, able, permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions license in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Blocked Scheme Creditor must ensure the Blocked Scheme Creditor Form (including the required supporting evidence to establish their identity, status as a Scheme Creditor and the value of their holding) has been validly completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) (in accordance with the instructions set out in the Blocked Scheme Creditor Form and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being **5 p.m. Hong Kong time on 20 November 2023**, the equivalent being **4 a.m. Cayman Islands time on 20 November 2023**).

#### **Registration prior to Scheme Meeting**

Registration at the Scheme Meeting will commence at **6 p.m. Hong Kong time on 28 November 2023**, the equivalent being **5 a.m. Cayman Islands time on 28 November 2023**.

Each Scheme Creditor (or, if a corporation, its duly authorised representative) or its proxy intending to attend the Scheme Meeting in person at the Linklaters Hong Kong Office or at the Harneys Cayman Office: (i) will be required to register its attendance at the Scheme Meeting no later than half an hour prior to the scheduled start time of the Scheme Meeting; and (ii) must produce a duplicate copy of the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) validly completed and submitted by or on behalf of that Scheme Creditor or Blocked Scheme Creditor (as applicable) together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk. If the appropriate personal identification and authorisation evidence is not produced, that person may not be permitted to attend, or vote at, the Scheme Meeting. If a Scheme Creditor appoints the Chairperson as its proxy, there is no need for the Chairperson to take the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) to the Scheme Meeting.

#### **Chairperson of Scheme Meeting**

Pursuant to the China Aoyuan Cayman Scheme Convening Order and the China Aoyuan HK Scheme Convening Order, the Cayman Court and HK Court have each appointed Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong ("**A&M**"), and/or Mr. James William

Hooper, a Managing Director of A&M, or such other representative of A&M to act as the Chairperson of the Scheme Meeting and have directed the Chairperson, in their capacity as the Chairperson of the Scheme Meeting, to report the results of the Scheme Meeting to the Cayman Court and HK Court within seven (7) days of the date of the Scheme Meeting. The results of the Scheme Meeting will also be made available on the Transaction Website.

### **Sanction Hearing**

The respective China Aoyuan Schemes, if approved at the Scheme Meeting, will be subject to the subsequent approval and sanction of each of the Cayman Court and HK Court. The China Aoyuan Cayman Scheme Sanction Hearing is presently listed to be heard at **10 a.m. Cayman Islands time on 7 December 2023**, the equivalent being **11 p.m. Hong Kong time on 7 December 2023**. The China Aoyuan HK Scheme Sanction Hearing is presently listed to be heard at **10 a.m. Hong Kong time on 8 January 2024**, the equivalent being **9 p.m. Cayman Islands time on 7 January 2024**. Any Scheme Creditor is entitled (but not obliged) to attend the China Aoyuan Cayman Scheme Sanction Hearing and/or China Aoyuan HK Scheme Sanction Hearing, through legal counsel, to support or oppose the sanction of the China Aoyuan Schemes.

### **Further information**

For further information, please contact the Information Agent, the Blocked Scheme Creditor Tabulation Agent or the Company's financial adviser or legal adviser (as applicable), in each case, using the contact details below:

#### **Information Agent**

##### **Morrow Sodali Limited**

Address:

In Hong Kong: 29/F, No. 28 Stanley Street, Central, Hong Kong

In London: 103 Wigmore Street, W1U 1QS, London, United Kingdom

Phone: Hong Kong: + 852 2319 4130 / London: +44 20 4513 6933

Transaction Website (document posting website):

<https://projects.morrowsodali.com/Aoyuan>

Scheme Portal (for submission of the Account Holder Letter or the Lender Proxy Form):

<https://portal.morrowsodali.com/aoyuanscheme>

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

#### **Blocked Scheme Creditor Tabulation Agent**

##### **Madison Pacific Corporate Services Ltd**

Address:

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong SAR

Phone: +852 2599 9500

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

#### **Financial Adviser to the Company**

##### **KPMG**

Address: 8<sup>th</sup> Floor, Prince's Building, 10 Chater Road, Central, Hong Kong

Phone: +852 2522 6022

Email: [aoyuan.restructuring@kpmg.com](mailto:aoyuan.restructuring@kpmg.com)

**Legal Adviser to the Company**

**Linklaters**

Address:

In Hong Kong: 11th Floor, Alexandra House, Chater Road, Hong Kong

In Singapore: 1 George St, Singapore, 049145

Phone: Hong Kong: +852 2842 4888 / Singapore: +65 6692 5700

Email: [dlaooyuanlinklaters@linklaters.com](mailto:dlaooyuanlinklaters@linklaters.com)

**Cayman Islands Legal Adviser to the Company**

**Harney Westwood & Riegels**

Address

In the Cayman Islands: 3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

In Hong Kong: 3501, The Center, 99 Queen's Road Central, Hong Kong

Phone: Cayman Islands: +1 345 949 8599 / Hong Kong: +852 5806 7800

Email: [Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Dated: 7 November 2023

## 计划会议通知书

开曼群岛大法院  
金融服务部

案件编号: 2023 年 FSD 0284 (DDJ)

有关公司法 (2023 年修订本) 第 86 条  
及有关中国奥园集团股份有限公司

### 中国奥园集团股份有限公司

除文中另有定义外, 本**通知书**所用词汇与中国奥园集团股份有限公司 (“**公司**”) 和**计划债权人** (定义见**说明陈述**) 根据(i) 开曼群岛《公司法》(2023年修订版) 第86条 (“**中国奥园开曼群岛计划**”) 及(ii) 香港《公司条例》(第 622 章) 第 670条、第673条和第 674 条 (“**中国奥园香港计划**”, 与**中国奥园开曼群岛计划**合称 “**中国奥园计划**”) 拟订的安排计划有关的说明陈述 (“**说明陈述**”) 所定义者具有相同含义。为免生疑问, 本**通知书**所提述的 “**计划债权人**” 不包括任何**受制裁计划债权人**, 后者无权在**计划会议**上投票, 并且必须将其情况通知**公司**。

中国奥园计划、说明陈述和招揽文件包的副本可从**交易网站**

(<https://projects.morrowsodali.com/Aoyuan>) 下载, 前提是须符合资格条件并进行登记。

特此就下列事项发出通知:

- (i) 根据2023年10月31日发布的命令 (“**中国奥园开曼群岛计划召开令**”), 开曼群岛大法院 (“**开曼群岛法院**”) 指示召开**计划债权人会议** (“**开曼群岛计划会议**”), 以审议并酌情批准**中国奥园开曼群岛计划** (无论是否附带**开曼群岛法院**批准或施加的修改、补充或条件); 及
- (ii) 根据2023年10月31日发布的命令 (“**中国奥园香港计划召开令**”), 香港特别行政区高等法院 (“**香港法院**”) 指示召开**计划债权人会议** (“**香港计划会议**”), 以审议并酌情批准**中国奥园香港计划** (无论是否附带**香港法院**批准或施加的修改、补充或条件)。

### 计划会议的细节

中国奥园计划的**开曼群岛计划会议**及**香港计划会议** (合称为 “**计划会议**”) 将于**香港时间2023年11月28日下午8时 (相当于开曼群岛时间2023年11月28日上午7时)** 在年利达律师事务所位于香港遮打道历山大厦11楼的办公地址 (“**年利达香港办事处**”) 一并举行, 并于**开曼群岛时间2023年11月28日上午7时**在Harney Westwood & Riegels位于3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands 的办公地址 (“**衡力斯开曼群岛办事处**”) 连接现场视频会议。**计划会议**可酌情延期举行 (在此情况下, 有关**计划会议**安排的任何变更应于**计划会议**前在**交易网站**上、以通过**结算系统**发出通知的方式及向**计划债权人**、**账户持有人**、**现有贷款人**和**中介机构** (**信息代理**拥有其有效联系方式) 发出电邮的方式通知)。

**计划债权人**可亲自、由正式授权代表 (如为法团) 或委任代表出席**计划会议**, 前提是已就其**现有债务**有效提交**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表** (视情况而定)。由于**计划债权人**可以以前往**年利达香港办事处**参会或以前往**衡力斯开曼群岛办事处**观看**计划会议**的现场视频会议的方式亲自出席; 因此, 在本**通知书**中所提及的亲自出席**计划会议**及于会上投票, 应视情况被视为包括前往**年利达香港办事处**参会或在**衡力斯开曼群岛办事处**参加现场视频会议。

**计划债权人**不必为行使投票权而亲自出席**计划会议**, 前提是其已在有关截止时间之前有效填写并提交其**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表** (视情况而定), 并委任**主席**或**主席**以外之代表 (代表其出席**计划会议**) 担任其代表以行使投票权。

**计划债权人**如在**计划会议**举行至少四十八 (48) 小时前向 (i) **信息代理** (适用于非**受禁计划债权人**的**计划债权人**) 或 (ii) **受禁计划债权人计票代理** (适用于**受禁计划债权人**) 提出要求, 亦可使用电

话及视频会议设施。通过电话或视频会议拨入的**计划债权人**仅可列席**计划会议**及提问（但不能投票）。在向**信息代理**或**受禁计划债权人计票代理**（视情况而定）提供其身份及/或代表**计划债权人**之权限（如为法团）的适当证明后，**计划债权人**将收到电话或视频会议的拨入说明。

为免生疑问，**计划债权人**、其正式授权代表（如为法团）或其委任代表若仅通过电话或视频会议列席而非亲自出席**计划会议**，则不能在**计划会议**上投票。若**计划债权人**希望投票，则需要在**年利达香港办事处**或在**衡力斯开曼群岛办事处**亲自出席或委任代表（包括委任**主席**担任代表）出席。有效填写并提交**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）委任**主席**或**主席**以外之代表（代表其出席**计划会议**）作为代表投票的**计划债权人**可以额外申请电话和视频会议设施以列席**计划会议**及提问。

### 填写投票表

**计划债权人**可亲自（或如为法团，则委任正式授权代表）或委任**主席**为受委代表或委任**主席**以外的受委代表代其出席**计划会议**并在会上投票。**计划债权人**应当(i)对非**受禁计划债权人**而言，在**账户持有人函**或**贷款人代表委任表**第2部分（投票及委任代表）；或(ii)对**受禁计划债权人**而言，在**受禁计划债权人表**第2部（投票及委任代表）（视情况而定），表明是否希望亲自（或如为法团，则由正式授权代表）出席**计划会议**并在会上投票，或委任代表代其在**计划会议**上投票。

为免生疑问，**计划债权人**、其正式授权代表（如为法团）或其受委代表如通过电话或视频会议设施列席而非亲自出席**计划会议**，将无法在**计划会议**上投票。

### 计划债权人（非受禁计划债权人）

为就**中国奥园计划**投票并出席**计划会议**（亲自、由正式授权代表（如为法团）或受委代表），**计划债权人**必须确保：

- (i) 仅就**现有公众票据持有人**而言，在**托管指示截止日期**（即**香港时间2023年11月15日下午5时**，相当于**开曼群岛时间2023年11月15日上午4时**）前，且无论如何提交**账户持有人函**前，**托管指示**已代其提交（根据**账户持有人函**及**招揽文件包**所载指示）；及
- (ii) **账户持有人函**或**贷款人代表委任表**（视情况而定）已有效填妥，并代表其于不迟于**投票指示截止日期**（即**香港时间2023年11月20日下午5时**，相当于**开曼群岛时间2023年11月20日上午4时**）通过**计划门户网站**（<https://portal.morrowsodali.com/aoyuanscheme>）提交予**信息代理**，并由**信息代理**接收。

### 受禁计划债权人

**受禁计划债权人**指因影响**计划债权人**或其托管人的任何**适用制裁**而无权、不能、不获允许（不论直接或通过托管人）通过**结算系统**提交指示或进行结算的**计划债权人**，且其并未就**适用制裁**获发容许该**计划债权人**自由交易**计划对价权益**及通过**结算系统**提交指示或进行结算的制裁许可。

为就**中国奥园计划**投票及出席**计划会议**（亲自、由正式授权代表（如为法团）或受委代表），**受禁计划债权人**必须确保已填妥**受禁计划债权人表**（包括所需证明其身份、**计划债权人**地位及持有价值的证明文件），并于不迟于**投票指示截止日期**（即**香港时间2023年11月20日下午5时**，相当于**开曼群岛时间2023年11月20日上午4时**）通过电邮 [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)（根据**受禁计划债权人表**及**招揽文件包**所载指示）送交**受禁计划债权人计票代理**并由其接收。

### 在计划会议前登记

**计划会议**的登记将从**香港时间2023年11月28日下午6时**，相当于**开曼群岛时间2023年11月28日上午5时**开始。



有意亲自前往**年利达香港办事处**或**衡力斯开曼群岛办事处**出席**计划会议**的各**计划债权人**（或如为法团，则其正式授权代表）或其受委代表：(i) 须于**计划会议**预定开始时间前至少半小时登记出席**计划会议**；及(ii) 必须在登记柜台出示由该**计划债权人**或**受禁计划债权人**（视情况而定）或代其有效填妥及递交的**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）的副本，连同公司授权证明（如为法团）（例如有效授权书及 / 或董事会决议案）及个人身份证明（即有效护照正本或其他政府签发的附有照片的身份证明文件正本）。如果未出示适当的个人身份证明和授权证明，该人士将不被允许出席**计划会议**或在**计划会议**上投票。如**计划债权人**委任**主席**为其代表，**主席**无须携带**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）出席**计划会议**。

## 计划会议主席

根据**中国奥园开曼群岛计划召开令**及**中国奥园香港计划召开令**，**开曼群岛法院**及**香港法院**已分别委任 Alvarez & Marsal Asia Limited (“A&M”)（地址为香港中环雪厂街 2 号圣佐治大厦 4 楼 405-7 室）董事总经理 Edward Simon Middleton 先生及 / 或 A&M 董事总经理 James William Hooper 先生或 A&M 的其他代表担任**计划会议主席**，并指示**主席**以**计划会议主席**的身份，在**计划会议**日期后七（7）天内向**开曼群岛法院**及**香港法院**报告**计划会议**的结果。**计划会议**的结果也将**在交易网站上公布**。

## 认许聆讯

如在**计划会议**上获得批准，**中国奥园计划**随后须分别获得**开曼群岛法院**及**香港法院**的批准和认许。**中国奥园开曼群岛计划认许聆讯**目前定于**开曼群岛时间2023年12月7日上午10时**，相当于**香港时间2023年12月7日下午11时**进行。**中国奥园香港计划认许聆讯**目前定于**香港时间2024年1月8日上午10时**，相当于**开曼群岛时间2024年1月7日下午9时**进行。任何**计划债权人**均有权（但非必须）通过法律代表出席**中国奥园开曼群岛计划认许聆讯**及 / 或**中国奥园香港计划认许聆讯**，以支持或反对认许**中国奥园计划**。

## 进一步信息

如需了解更多信息，请通过以下联系方式联系**信息代理**、**受禁计划债权人计票代理**或公司的财务顾问或法律顾问（视情况而定）：

### 信息代理

#### **Morrow Sodali Limited**

地址：

香港：香港中环士丹利街28号29楼

伦敦：103 Wigmore Street, W1U 1QS, London, United Kingdom

电话：香港：+ 852 2319 4130 / 伦敦：+44 20 4513 6933

交易网站（文件发布网站）：<https://projects.morrowsodali.com/Aoyuan>

计划门户网站（用于提交**账户持有人函**或**贷款人委任表**）：  
<https://portal.morrowsodali.com/aoyuanscheme>

电邮：[aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

### 受禁计划债权人计票代理

**Madison Pacific Corporate Services Ltd**

地址:

香港特别行政区香港金钟夏慤道16号远东金融中心17楼

电话: +852 2599 9500

电邮: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

**公司财务顾问**

**KPMG**

地址: 香港中环遮打道10号太子大厦8楼

电话: +852 2522 6022

电邮: [aoyuan.restructuring@kpmg.com](mailto:aoyuan.restructuring@kpmg.com)

**公司法律顾问**

**年利达**

地址:

香港: 香港遮打道历山大厦 11 楼

新加坡: 1 George St, Singapore, 049145

电话: 香港: +852 2842 4888 / 新加坡: +65 6692 5700

电邮: [dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com)

**公司开曼群岛法律顾问**

**Harney Westwood & Riegels**

地址:

开曼群岛: 3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

香港: 香港中环皇后大道中 99 号中环中心3501室

电话: 开曼群岛: +1 345 949 8599 / 香港: +852 5806 7800

电邮: [Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**中国奥园集团股份有限公司**

日期: 2023年11月7日



**APPENDIX 5**  
**SOLICITATION PACKET**

**[See over page]**

## Solicitation Packet

### THIS SOLICITATION PACKET IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

**NOTE:** THE INFORMATION INCLUDED IN THIS SOLICITATION PACKET IS NOT APPLICABLE TO SCHEME CREDITORS WHO ARE SANCTIONED SCHEME CREDITORS. IF YOU ARE A SANCTIONED SCHEME CREDITOR, PLEASE: (A) DO NOT COMPLETE ANY OF THE SCHEDULES TO THIS SOLICITATION PACKET; AND (B) NOTIFY THE COMPANY IMMEDIATELY IN WRITING OF YOUR STATUS AND IN ACCORDANCE WITH CLAUSE 5.5 OF THE CHINA AOYUAN SCHEMES. ACCORDINGLY, REFERENCES TO "SCHEME CREDITORS" WITHIN THIS SOLICITATION PACKET SHALL EXCLUDE SANCTIONED SCHEME CREDITORS.

### Introduction

This Solicitation Packet performs the following important functions:

- first, the Company is soliciting votes from Scheme Creditors in respect of the China Aoyuan Schemes. This Solicitation Packet sets out instructions and guidance for voting at the Scheme Meeting; and
- second, in order to be eligible to receive or be otherwise allocated any Scheme Consideration Entitlement or Blocked Scheme Consideration Entitlement (as applicable) on the Restructuring Effective Date, if the China Aoyuan Schemes become effective in accordance with their terms, certain forms and information must be submitted by Scheme Creditors. This Solicitation Packet includes the forms of those documents, as well as instructions and guidance on how to complete them.

Please note that different instructions and forms apply to: (i) Existing Noteholders (who are not Blocked Scheme Creditors); (ii) Existing Lenders (who are not Blocked Scheme Creditors); and (iii) Blocked Scheme Creditors. Please read this Solicitation Packet, the Explanatory Statement and the China Aoyuan Schemes and follow the instructions contained herein before completing the Account Holder Letter, Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) via the Scheme Portal.

### Definitions and interpretation

Capitalised terms used but not defined in this Solicitation Packet have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023 subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023 subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**").

Notwithstanding the above, references in this Solicitation Packet to Scheme Creditors shall be references to the following:

- persons with an economic or beneficial interest as principal in the Existing Notes held in global form or global restricted form through the Clearing Systems, each of whom has a right, upon satisfaction of certain conditions, to be issued definitive registered notes in accordance with the terms of the Existing Notes, the Existing Public Notes Indentures and Existing Private Notes Instruments. References to the Existing Notes being "held" by a Scheme Creditor shall be construed accordingly; or

- persons with an economic or beneficial interest as principal in the Existing Loans,

in each case, as at the Record Date.

References in this Solicitation Packet to a Blocked Scheme Creditor shall be references to a Scheme Creditor that is not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian as reasonably determined by the Clearing Systems, and which does not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in its Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

For the avoidance of doubt, references to "Scheme Creditors" in this Solicitation Packet shall exclude any Sanctioned Scheme Creditors, who are required to notify the Company of their status in accordance with Clause 5.5 of the China Aoyuan Schemes.

Account Holders are those persons who are direct participants in the Clearing Systems with their interests in the Existing Notes being recorded directly in the books or other records maintained by the Clearing Systems.

#### **Amendment or termination of Solicitation Packet**

The Company reserves the right to terminate or amend this Solicitation Packet at any time prior to the Record Date and the Voting Instruction Deadline in a manner that is not materially adverse to the interests of the Scheme Creditors. The Company also reserves the right to change the Record Date and/or Voting Instruction Deadline to a later time or date. Any such extension will be followed as promptly as practicable by notice thereof. If the Company extends the Record Date and/or the Voting Instruction Deadline, it also reserves the right to establish a later Custody Instruction Deadline.

#### **Voting in both the China Aoyuan Schemes and the Add Hero Schemes**

As set out in the Explanatory Statements, the Company intends to implement the Restructuring through the parallel and inter-conditional China Aoyuan Schemes and Add Hero Schemes. The beneficial owners of and/or the persons with the ultimate economic interest in the Existing Public Notes (i.e. the Existing Public Noteholders), the lenders of record or persons with a beneficial interest as principal in the Existing Syndicated Facilities (i.e. the Existing Syndicated Facilities Lenders) and the lenders of record or persons with a beneficial interest as principal in the USD100m Noble Prestige Facility (i.e. the USD100m Noble Prestige Lenders) are entitled to participate and receive scheme consideration pursuant to both the China Aoyuan Schemes and the Add Hero Schemes.

To minimise the administrative burden on the Existing Public Noteholders, the Existing Syndicated Facilities Lenders and the USD100m Noble Prestige Lenders, each of these Scheme Creditors can submit one Account Holder Letter or Lender Proxy Form (as applicable) in respect of the same Scheme Claim for both the China Aoyuan Schemes and the Add Hero Schemes.

#### **Key Dates**

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.

- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 5 a.m. BVI time on 15 November 2023 and 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 5 a.m. BVI time on 20 November 2023 and 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 9 p.m. Hong Kong time on 28 November 2023, the equivalent time being 9 a.m. BVI time on 28 November 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

## Overview of instructions for Scheme Creditors (who are not Blocked Scheme Creditors)

### To vote at the Scheme Meeting

In order for you to be entitled to vote at the Scheme Meeting:

- In the case of an Existing Noteholder:
  - (i) please ensure that the Existing Notes are blocked in the relevant Clearing System via a Custody Instruction prior to the **Custody Instruction Deadline** (and in any event prior to submitting an Account Holder Letter); and
  - (ii) please ensure that the Account Holder Letter (set out at Schedule 1 and/or Schedule 2 (as applicable)) is validly completed, executed and submitted in accordance with the instructions set out therein so that it is received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the **Voting Instruction Deadline**.

Please allow sufficient time for your Account Holder to give instructions to the relevant Clearing System to block your Existing Notes in the relevant Clearing System before the **Custody Instruction Deadline**. Please also allow sufficient time for your Account Holder to validly complete and submit the Account Holder Letter to the Information Agent by the **Voting Instruction Deadline** via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>).

- In the case of an Existing Lender, please ensure that the Lender Proxy Form (set out at Schedule 3 and/or Schedule 4 (as applicable)) is validly completed, executed and submitted in accordance with the instructions set out therein so that it is received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the **Voting Instruction Deadline**.

If you are a Scheme Creditor who is a Consenting Creditor and are entitled to receive the RSA Fees under the terms of the Restructuring Support Agreement, then you must:

- in the case of an Existing Noteholder, provide, or have your Account Holder provide, the relevant Accession Code in the Custody Instruction and Account Holder Letter; or
- in the case of an Existing Lender, provide the relevant Accession Code in the Lender Proxy Form,

and, in each case, vote in favour of the China Aoyuan Schemes at the Scheme Meeting by following the instructions set out herein.

Please refer to Part 1 of "Actions to be taken – documents and deadlines" as well as Sections 2 (*General Guidance for Voting*) and 3 (*Instructions Relating to Voting and Attending the Scheme Meeting*) for more information.

### To receive Scheme Consideration Entitlement

- In order for you (or your Designated Recipient, if any) to receive your Scheme Consideration Entitlement (which shall be comprised of your Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer Shares Entitlement) on the Restructuring Effective Date, please ensure that your validly completed Account Holder Letter or Lender Proxy Form (including the Distribution Confirmation Deed) is submitted to the Information Agent online via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the **Voting Instruction Deadline**. The Company (through the Information Agent) will notify the Scheme Creditors of the occurrence of the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes.

- If you fail to submit (or have submitted on your behalf) the required documents by the Voting Instruction Deadline (as above), you will not receive your Scheme Consideration Entitlement on the Restructuring Effective Date and will be regarded as an Unadmitted Scheme Creditor. Unadmitted Scheme Creditors should read the Holding Period Trust Deed and follow the instructions therein and set out in this Solicitation Packet (including paragraph 4.7 (*Bar Time and Holding Period Expiry Date*) below) for submission of the required documentation by the **Bar Time** in order to establish their entitlement to the Trust Assets (which shall be comprised of their Aoyuan New Securities Entitlement and Transfer Shares Entitlement) and the New Shares Entitlement.

Please refer to Part 1 of "Actions to be taken – documents and deadlines" as well as Section 4 (*Instructions Relating to Scheme Consideration Entitlement*) for more information.

**Please note that each of the Existing Public Noteholders, Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders may only submit one Account Holder Letter or Lender Proxy Form (as applicable) in respect of the same Scheme Claim for both the China Aoyuan Schemes and the Add Hero Schemes. It is not necessary for the Existing Public Noteholders, Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders to submit a separate Account Holder Letter or Lender Proxy Form for each of the China Aoyuan HK Scheme, the China Aoyuan Cayman Scheme, the Add Hero HK Scheme and the Add Hero BVI Scheme.**

**Please note that each Scheme Creditor (other than the Existing Public Noteholders, Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders) may only submit one Account Holder Letter or Lender Proxy Form (as applicable) in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary for Scheme Creditors (other than the Existing Public Noteholders, Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders) to submit a separate Account Holder Letter or Lender Proxy Form for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

## **Overview of instructions for Blocked Scheme Creditors**

### To vote at the Scheme Meeting

Please ensure that the Blocked Scheme Creditor Form is validly completely, executed and submitted to the Blocked Scheme Creditor Tabulation Agent, via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the **Voting Instruction Deadline**.

If you are a Scheme Creditor who is entitled to receive the RSA Fees under the terms of the Restructuring Support Agreement, but cannot satisfy the obligation in clause 7.1.1(i) of the Restructuring Support Agreement to submit the Account Holder Letter as a result of being a Blocked Scheme Creditor, the Company will waive this obligation, provided that you vote in favour of the China Aoyuan Schemes at the Scheme Meeting by submitting the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent, via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) prior to the Voting Instruction Deadline. The Company also reserves the right to waive any other obligation under the Restructuring Support Agreement in respect of Consenting Creditors who are Blocked Scheme Creditors on, and pursuant to, the terms of the Restructuring Support Agreement in order to be eligible to receive the RSA Fees.

Please refer to Part 2 of "Actions to be taken – documents and deadlines" as well as Sections 2 (*General Guidance for Voting*) and 3 (*Instructions Relating to Voting and Attending the Scheme Meeting*) for more information.

### To be allocated Blocked Scheme Consideration Entitlement

- In order for you to be allocated your Blocked Scheme Consideration Entitlement (which shall be comprised of your Blocked Aoyuan New Securities Entitlement, Blocked New Shares

Entitlement and Blocked Transfer Shares Entitlement) on the Restructuring Effective Date, please ensure that your validly completed Blocked Scheme Creditor Form is submitted to the Blocked Scheme Creditor Tabulation Agent, via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) prior to the Voting Instruction Deadline.

- If you fail to submit the required documents by the Voting Instruction Deadline (as above), you will not be allocated your Blocked Scheme Consideration Entitlement on the Restructuring Effective Date and will be regarded as an Unadmitted Scheme Creditor. Unadmitted Scheme Creditors should read the Holding Period Trust Deed and follow the instructions therein and set out in this Solicitation Packet (including paragraph 4.7 (*Bar Time and Holding Period Expiry Date*) below) for submission of the required documentation by the Bar Time in order to establish their entitlement to be allocated the Trust Assets (which shall be comprised of their Aoyuan New Securities Entitlement and Transfer Shares Entitlement) and the New Shares Entitlement.

Please refer to Part 2 of "Actions to be taken – documents and deadlines" as well as Section 4 (*Instructions Relating to Scheme Consideration Entitlement*) for more information.

**Please note that each Blocked Scheme Creditor (which is an Existing Public Noteholder) may only submit one Blocked Scheme Creditor Form in respect of the same Scheme Claim for both the China Aoyuan Schemes and the Add Hero Schemes. It is not necessary for a Blocked Scheme Creditor (which is an Existing Public Noteholder, Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender) to submit a separate Blocked Scheme Creditor Form for each of the China Aoyuan HK Scheme, the China Aoyuan Cayman Scheme, the Add Hero HK Scheme and the Add Hero BVI Scheme.**

**Please note that each Blocked Scheme Creditor (which is an Existing Private Noteholder) may only submit one Blocked Scheme Creditor Form in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary for Blocked Scheme Creditors (other than the Existing Public Noteholders, Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders) to submit a separate Blocked Scheme Creditor Form for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

#### **FOR ASSISTANCE CONTACT**

##### **For Scheme Creditors who are not Blocked Scheme Creditors:**

###### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong)/+44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submissions): <https://portal.morrowsodali.com/aoyuanScheme>

##### **For Blocked Scheme Creditors:**

###### **Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

## ACTIONS TO BE TAKEN – DOCUMENTS AND DEADLINES

### Part 1: Summary table for Scheme Creditors (who are not Blocked Scheme Creditors)

Action	Documents / Custody Instructions to submit	Deadline
<b><i>For Account Holders on behalf of Existing Public Noteholders</i></b>		
To vote at the Scheme Meeting (for both the China Aoyuan Schemes and the Add Hero Schemes)	<ul style="list-style-type: none"> <li>Custody Instruction (Existing Public Noteholders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Custody Instruction Deadline and prior to submission of the Account Holder Letter</u></b> (Check relevant deadlines with your custodian and/or Clearing System, as they may impose their own earlier deadlines)
	<ul style="list-style-type: none"> <li>Part 1 and Part 2 of the Account Holder Letter (Existing Public Noteholders must include their Custody Instruction Reference Number and Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For an Existing Public Noteholder to receive: (i) any RSA Fees (as applicable); and (ii) its Scheme Consideration Entitlement (which is comprised of its: (a) Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement under the China Aoyuan Schemes and (b) Add Hero Notes Entitlement and Cash Consideration Entitlement under the Add Hero Schemes) on the Restructuring Effective Date	<ul style="list-style-type: none"> <li>Custody Instruction (Existing Public Noteholders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Custody Instruction Deadline and prior to submission of the Account Holder Letter</u></b> (Check relevant deadlines with your custodian and/or Clearing System, as they may impose their own earlier deadlines)
	<ul style="list-style-type: none"> <li>Part 1 of the Account Holder Letter (Existing Public Noteholders must include their Custody Instruction Reference Number and Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> <li>Distribution Confirmation Deed</li> <li>Designated Recipient Form (for an Existing Public Noteholder who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>



Action	Documents / Custody Instructions to submit	Deadline
For an Unadmitted Scheme Creditor to receive its Scheme Consideration Entitlement (which is comprised of its: (i) Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement under the China Aoyuan Schemes and (ii) Add Hero Notes Entitlement and Cash Consideration Entitlement under the Add Hero Schemes) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>Holding Period Custody Instruction</li> </ul>	<b><u>Holding Period Custody Instruction Deadline</u></b>
	<ul style="list-style-type: none"> <li>Part 1 of the Account Holder Letter (Existing Public Noteholders must include their Custody Instruction Reference Number)</li> <li>Distribution Confirmation Deed</li> <li>Designated Recipient Form (for an Existing Public Noteholder who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement)</li> <li>See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>
<b><i>For Account Holders on behalf of Existing Private Noteholders</i></b>		
To vote at the Scheme Meeting (only for the China Aoyuan Schemes)	<ul style="list-style-type: none"> <li>Custody Instruction (Existing Private Noteholders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Custody Instruction Deadline and prior to submission of the Account Holder Letter</u></b> (Check relevant deadlines with your custodian and/or Clearing System, as they may impose their own earlier deadlines)
	<ul style="list-style-type: none"> <li>Part 1 and Part 2 of the Account Holder Letter (Existing Private Noteholders must include their Custody Instruction Reference Number and Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For an Existing Private Noteholder to receive: (i) any RSA Fees (as applicable); and (ii) its Scheme Consideration Entitlement (which is comprised of its: Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer	<ul style="list-style-type: none"> <li>Custody Instruction (Existing Private Noteholders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Custody Instruction Deadline and prior to submission of the Account Holder Letter</u></b> (Check relevant deadlines with your custodian and/or Clearing System, as they may impose their own earlier deadlines)

<b>Action</b>	<b>Documents / Custody Instructions to submit</b>	<b>Deadline</b>
Shares Entitlement) on the Restructuring Effective Date	<ul style="list-style-type: none"> <li>Part 1 of the Account Holder Letter (Existing Private Noteholders must include their Custody Instruction Reference Number and Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> <li>Distribution Confirmation Deed</li> <li>Designated Recipient Form (for an Existing Private Noteholder who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For an Unadmitted Scheme Creditor to receive its Scheme Consideration Entitlement (which is comprised of its: Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer Shares Entitlement) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>Holding Period Custody Instruction</li> </ul>	<b><u>Holding Period Custody Instruction Deadline</u></b>
	<ul style="list-style-type: none"> <li>Part 1 of the Account Holder Letter (Existing Private Noteholders must include their Custody Instruction Reference Number)</li> <li>Distribution Confirmation Deed</li> <li>Designated Recipient Form (for an Existing Private Noteholder who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement)</li> <li>See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>
<b><i>For Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders</i></b>		
To vote at the Scheme Meeting (for both the China Aoyuan Schemes and the Add Hero Schemes)	<ul style="list-style-type: none"> <li>Part 1 and Part 2 of the Lender Proxy Form (Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to receive: (i) any RSA Fees (as applicable); and (ii) its	<ul style="list-style-type: none"> <li>Part 1 of the Lender Proxy Form (Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders must include their Accession Code if they are</li> </ul>	<b><u>Voting Instruction Deadline</u></b>

<b>Action</b>	<b>Documents / Custody Instructions to submit</b>	<b>Deadline</b>
Scheme Consideration Entitlement (which is comprised of its: (a) Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement under the China Aoyuan Schemes and (b) Add Hero Notes Entitlement and Cash Consideration Entitlement under the Add Hero Schemes) on the Restructuring Effective Date	<p>Consenting Creditors who are eligible to receive the RSA Fees)</p> <ul style="list-style-type: none"> <li>• Distribution Confirmation Deed</li> <li>• Designated Recipient Form (for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement)</li> </ul>	
For an Unadmitted Scheme Creditor to receive its Scheme Consideration Entitlement (which is comprised of its: (i) Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement under the China Aoyuan Schemes and (ii) Add Hero Notes Entitlement and Cash Consideration Entitlement under the Add Hero Schemes) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>• Part 1 of the Lender Proxy Form</li> <li>• Distribution Confirmation Deed</li> <li>• Designated Recipient Form (for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement)</li> <li>• See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>
<b><i>For Other Non-ICA Debt Lenders</i></b>		
To vote at the Scheme Meeting (only for the China Aoyuan Schemes)	<ul style="list-style-type: none"> <li>• Part 1 and Part 2 of the Lender Proxy Form (Other Non-ICA Debt Lenders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For an Other Non-ICA Debt Lender to receive: (i) any RSA Fees (as applicable); and (ii) its Scheme Consideration Entitlement (which is comprised of its: Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer Shares Entitlement) on the Restructuring Effective Date	<ul style="list-style-type: none"> <li>• Part 1 of the Lender Proxy Form (Other Non-ICA Debt Lenders must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> <li>• Distribution Confirmation Deed</li> <li>• Designated Recipient Form (for an Other Non-ICA Debt Lender who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer</li> </ul>	<b><u>Voting Instruction Deadline</u></b>

Action	Documents / Custody Instructions to submit	Deadline
	Shares Entitlement and New Shares Entitlement)	
For an Unadmitted Scheme Creditor to receive its Scheme Consideration Entitlement (which is comprised of its: Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer Shares Entitlement) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>Part 1 of the Lender Proxy Form</li> <li>Distribution Confirmation Deed</li> <li>Designated Recipient Form (for an Other Non-ICA Debt Lender who is not an Eligible Person and who wishes to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and New Shares Entitlement)</li> <li>See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>

#### Part 2: Summary Table for Blocked Scheme Creditors

Action	Documents to submit	Deadline
<b><i>For Blocked Scheme Creditors which are Existing Public Noteholders</i></b>		
To vote at the Scheme Meeting (for both the China Aoyuan Schemes and the Add Hero Schemes)	<ul style="list-style-type: none"> <li>Part 1 and Part 2 of the Blocked Scheme Creditor Form, including supporting evidence submitted to the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline (Blocked Scheme Creditors must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For a Blocked Scheme Creditor to be allocated: (i) any RSA Fees (as applicable); and (ii) its Blocked Scheme Consideration Entitlement (which is comprised of its: (a) Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement and Blocked New Shares Entitlement under the China Aoyuan Schemes and (b) Blocked Add Hero Notes Entitlement and Blocked	<ul style="list-style-type: none"> <li>Part 1 of the Blocked Scheme Creditor Form, including supporting evidence (and, for Blocked Scheme Creditors who, if they are Consenting Creditors who are eligible to receive the RSA Fees, must include their Accession Code)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>

Cash Consideration Entitlement under the Add Hero Schemes) on the Restructuring Effective Date		
For a Blocked Scheme Creditor who is an Unadmitted Scheme Creditor to be allocated its Blocked Scheme Consideration Entitlement (which is comprised of its: (i) Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement and Blocked New Shares Entitlement under the China Aoyuan Schemes and (ii) Blocked Add Hero Notes Entitlement and Blocked Cash Consideration Entitlement under the Add Hero Schemes) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>Part 1 of the Blocked Scheme Creditor Form, including supporting evidence</li> <li>See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>
<b><i>For Blocked Scheme Creditors which are Existing Private Noteholders</i></b>		
To vote at the Scheme Meeting (only for the China Aoyuan Schemes)	<ul style="list-style-type: none"> <li>Part 1 and Part 2 of the Blocked Scheme Creditor Form, including supporting evidence submitted to the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline (Blocked Scheme Creditors must include their Accession Code if they are Consenting Creditors who are eligible to receive the RSA Fees)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>

For a Blocked Scheme Creditor to be allocated: (i) any RSA Fees (as applicable); and (ii) its Blocked Scheme Consideration Entitlement (which is comprised of its: Blocked Aoyuan New Securities Entitlement, Blocked New Shares Entitlement and Blocked Transfer Shares Entitlement) on the Restructuring Effective Date	<ul style="list-style-type: none"> <li>Part 1 of the Blocked Scheme Creditor Form, including supporting evidence (and, for Blocked Scheme Creditors who, if they are Consenting Creditors who are eligible to receive the RSA Fees, must include their Accession Code)</li> </ul>	<b><u>Voting Instruction Deadline</u></b>
For a Blocked Scheme Creditor who is an Unadmitted Scheme Creditor to be allocated its Blocked Scheme Consideration Entitlement (which is comprised of its: Aoyuan New Securities Entitlement, New Shares Entitlement and Transfer Shares Entitlement) by the Holding Period Expiry Date	<ul style="list-style-type: none"> <li>Part 1 of the Blocked Scheme Creditor Form, including supporting evidence</li> <li>See documents required in the Holding Period Trust Deed</li> </ul>	<b><u>Bar Time</u></b>

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## **1 INTRODUCTION**

### **1.1** These instructions have been prepared to assist:

- 1.1.1** Existing Public Noteholders who are not Blocked Scheme Creditors (in each case, other than the Existing Public Notes Trustee and the Existing Public Notes Common Depository) and Account Holders in completing the Account Holder Letter located at Schedule 1 (*Account Holder Letter (Existing Public Notes)*);
- 1.1.2** Existing Private Noteholders who are not Blocked Scheme Creditors and Account Holders in completing the Account Holder Letter located at Schedule 2 (*Account Holder Letter (Existing Private Notes)*);
- 1.1.3** Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders who are not Blocked Scheme Creditors in completing the Lender Proxy Form located at Schedule 3 (*Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*);
- 1.1.4** Other Non-ICA Debt Lenders who are not Blocked Scheme Creditors in completing the Lender Proxy Form located at Schedule 4 (*Lender Proxy Form (Other Non-ICA Debt)*);
- 1.1.5** Existing Public Noteholders who are Blocked Scheme Creditors in completing the Blocked Scheme Creditor Form located at Schedule 5 (*Blocked Scheme Creditor Form (Existing Public Notes)*); and
- 1.1.6** Existing Private Noteholders who are Blocked Scheme Creditors in completing the Blocked Scheme Creditor Form located at Schedule 6 (*Blocked Scheme Creditor Form (Existing Private Notes)*).

### **1.2 Scheme Creditors (who are not Blocked Scheme Creditors)**

#### ***Existing Noteholders Only***

- 1.2.1** Each of the Account Holder Letters encloses the following documents:
  - (i) the Designated Recipient Form, being a form that such Existing Noteholder (if the Existing Noteholder is an Account Holder) or an Account Holder on behalf of the Existing Noteholder may complete in order to appoint a Designated Recipient to be the recipient of such Scheme Creditor's Scheme Consideration Entitlement that would otherwise be issued to such Existing Noteholder on the Restructuring Effective Date. The Designated Recipient Form is located at Appendix 1 (*Designated Recipient Form*) to the Account Holder Letter; and
  - (ii) the Distribution Confirmation Deed, being a deed that such Existing Noteholder (if the Existing Noteholder is an Account Holder) or an Account Holder on behalf of the Existing Noteholder (or its Designated Recipient) must complete in order to confirm (amongst other things) that such Existing Noteholder (or its Designated Recipient) may lawfully be issued with its Scheme Consideration Entitlement. The Distribution Confirmation Deed is located at Appendix 2 (*Distribution Confirmation Deed*) to the Account Holder Letter.

- 1.2.2** Each such Existing Noteholder who is not an Account Holder must submit its voting instructions and elections under the China Aoyuan Schemes through its Account Holder. The information for inclusion in an Account Holder Letter must be sent by such Existing Noteholder who is not an Account Holder to its Account Holder, and not to the Information Agent, allowing sufficient time for the Account Holder to receive such information, complete the relevant parts of the Account Holder Letter and submit the Account Holder Letter to the Information Agent by the Voting Instruction Deadline via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>).
- 1.2.3** It will be the responsibility of an Account Holder who is not the Existing Noteholder to obtain from the Existing Noteholder (through any Intermediaries, if applicable) on whose behalf it is acting, in accordance with the procedures established between them, whatever information or instructions it may require in an Account Holder Letter (including, for the avoidance of doubt, for the purposes of the Designated Recipient Form, if applicable, and the Distribution Confirmation Deed) and to provide the information, instructions and confirmations required by the Account Holder Letter. None of the Company, the Information Agent or any other person will be responsible for any loss or liability incurred by an Existing Noteholder as a result of any determination by the Information Agent (on behalf of and in consultation with the Company) that an Account Holder Letter contains an error or is incomplete, even if this is subsequently shown not to have been the case, except to the extent that such loss or liability is incurred by an Existing Noteholder and is attributable to breach of fiduciary duty, fraud, wilful default, dishonesty or wilful misconduct on the part of the Company or the Information Agent.
- 1.2.4** The Information Agent has been appointed to facilitate communications with such Existing Noteholders concerning the China Aoyuan Schemes. The Information Agent is an agent of the Company and does not owe any duty to any third party (including, without limitation, the Existing Noteholders). If a person is in any doubt as to whether or not it is an Existing Noteholder or an Account Holder, such person should contact the Information Agent using the contact details set out in the Account Holder Letter.

***Existing Lenders Only***

- 1.2.5** Each of the Lender Proxy Forms encloses the following documents:
- (i) the Designated Recipient Form, being a form that such Existing Lender may complete in order to appoint a Designated Recipient to be the recipient of such Existing Lender's Scheme Consideration Entitlement that would otherwise be issued to such Existing Lender on the Restructuring Effective Date. The Designated Recipient Form is located at Appendix 1 (*Designated Recipient Form*) to the Lender Proxy Form; and
  - (ii) the Distribution Confirmation Deed, being a deed that such Existing Lender (or its Designated Recipient) must complete in order to confirm (amongst other things) that such Existing Lender (or its Designated Recipient) may lawfully be issued with its Scheme Consideration Entitlement. The Distribution Confirmation Deed is located at Appendix 2 (*Distribution Confirmation Deed*) to the Account Holder Letter.
- 1.2.6** Each Existing Lender shall complete the relevant parts of the Lender Proxy Form, and submit the same to the Information Agent by the Voting Instruction Deadline via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>).

### **1.3 Blocked Scheme Creditors**

- 1.3.1** Apart from requiring the Blocked Scheme Creditor's details and details of its holdings (including supporting evidence), the Blocked Scheme Creditor Form does not enclose any additional documents. None of the Company, the Blocked Scheme Creditor Tabulation Agent or any other person will be responsible for any loss or liability incurred by a Blocked Scheme Creditor as a result of any determination by the Blocked Scheme Creditor Tabulation Agent (on behalf of and in consultation with the Company) that a Blocked Scheme Creditor Form contains an error or is incomplete, even if this is subsequently shown not to have been the case, except to the extent that such loss or liability is incurred by a Blocked Scheme Creditor and is attributable to fraud, wilful default or wilful misconduct on the part of the Company or Blocked Scheme Creditor Tabulation Agent.
- 1.3.2** The Blocked Scheme Creditor Tabulation Agent has been appointed to facilitate communications with Blocked Scheme Creditors concerning the China Aoyuan Schemes. The Blocked Scheme Creditor Tabulation Agent is an agent of the Company and does not owe any duty to any Scheme Creditor. If a person is in any doubt as to whether or not it is a Blocked Scheme Creditor, such person should contact the Blocked Scheme Creditor Tabulation Agent using the contact details set out in the Blocked Scheme Creditor Form.

### **1.4 Limitation of liability**

- 1.4.1** This Solicitation Packet has been made available to you in an electronic form on the Transaction Website. You are advised that documents made available to you in electronic form may be altered or changed during the process of transmission and consequently none of the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees, accept any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the version available to you for inspection on the Transaction Website.
- 1.4.2** Each person receiving this Solicitation Packet acknowledges that it has not relied on the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent, the Existing Debt Administrative Parties or any of their respective Affiliates, directors, officers or employees in connection with any decisions on how to vote in relation to the China Aoyuan Schemes. Scheme Creditors must rely on their own due diligence and their professional advisers in their decisions with respect to the China Aoyuan Schemes and the Restructuring. Each Scheme Creditor should consult with their own broker(s), financial adviser(s), legal counsel or other advisers regarding the tax, legal, regulatory, financial and other implications of the China Aoyuan Schemes.
- 1.4.3** The Information Agent, the Scheme Administrators and the Blocked Scheme Creditor Tabulation Agent do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Solicitation Packet (including, without limitation, the Account Holder Letter, the Designated Recipient Form, the Distribution Confirmation Deed, the Lender Proxy Form, the Blocked Scheme Creditor Form, the Explanatory Statements, the China Aoyuan Schemes and any related materials).

- 1.4.4** Nothing contained in this Solicitation Packet is, or shall be relied upon as, a promise or representation by the Information Agent, the Scheme Administrators or the Blocked Scheme Creditor Tabulation Agent as to the past, present or future. The Company has furnished the information contained in this Solicitation Packet. None of the Information Agent, the Scheme Administrators nor the Blocked Scheme Creditor Tabulation Agent have independently verified the information contained herein (financial, legal or otherwise) on behalf of the Scheme Creditors, nor do they assume any responsibility for the accuracy or completeness of any such information.
- 1.4.5** Neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is acting for, or owes any duty to, any Scheme Creditor, nor will any of them be responsible for providing any advice to any Scheme Creditor in relation to the China Aoyuan Schemes. Accordingly, neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers make any recommendations as to whether any Scheme Creditor should take any of the actions contemplated in the China Aoyuan Schemes. The Information Agent, the Scheme Administrators and the Blocked Scheme Creditor Tabulation Agent each express no opinion on the merits of the China Aoyuan Schemes and the terms of the Aoyuan New Securities. None of the Information Agent, the Scheme Administrators nor the Blocked Scheme Creditor Tabulation Agent have been involved in negotiating or determining the terms of the China Aoyuan Schemes and they make no representation that all relevant information has been disclosed to the Scheme Creditors in or pursuant to the China Aoyuan Schemes. Neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers has verified, or assumes any responsibility or liability for the accuracy or completeness of any of the information concerning the China Aoyuan Schemes, or any factual statements contained in, or the effect or effectiveness of, the China Aoyuan Schemes.
- 1.4.6** Neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers is obliged, under the terms of the China Aoyuan Schemes or otherwise, to engage in any transaction or conduct that may give rise to a liability under or in connection with Applicable Sanctions and/or may result in any person becoming targeted by Applicable Sanctions.
- 1.4.7** If compliance with any obligations under the terms of the China Aoyuan Schemes or otherwise would result in the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their directors, officers, employees, agents, affiliates or advisers breaching the Blocking Regulation, that obligation need not be complied with (but only to the extent of the breach).
- 1.4.8** Under no circumstances will the Information Agent be required to verify or determine the eligibility of any Scheme Creditor in relation to the China Aoyuan Schemes. The Information Agent will check Scheme Claims against Custody Instructions and against the records of Scheme Creditors provided to the Information Agent by the Company. The Information Agent will assist the Company and the Chairperson in

checking the voting values of each Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) based on such information.

- 1.4.9** Each Scheme Creditor and/or Account Holder hereby unconditionally and irrevocably waives and releases any claims which may arise against the Information Agent, the Scheme Administrators or the Blocked Scheme Creditor Tabulation Agent from all actual or potential liability, arising directly or indirectly, in each case, in relation to the Information Agent's, the Scheme Administrators' or the Blocked Scheme Creditor Tabulation Agent's performance of its roles and all other actions which they may take in connection with the China Aoyuan Schemes, save for any liability resulting from the Information Agent's, the Scheme Administrators' or the Blocked Scheme Creditor Tabulation Agent's own fraud, wilful default or wilful misconduct.
- 1.4.10** Neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers will have any tortious, contractual or any other liability to any person in connection with the determination of whether a Scheme Creditor is a Blocked Scheme Creditor. Neither the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent nor any of their directors, officers, employees, agents, affiliates or advisers will accept any liability whatsoever to any person, regardless of the form of action, for any lost profits or lost opportunity, or for any indirect, special, consequential, incidental or punitive damages arising from the determination of whether a Scheme Creditor is a Blocked Scheme Creditor, even if the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their directors, officers, employees, agents, affiliates or advisers have been advised of the possibility of such damages.

## **2 GENERAL GUIDANCE FOR VOTING**

### **2.1 Scheme Meeting**

- 2.1.1** Before the China Aoyuan Schemes can become effective and binding on the Company and the Scheme Creditors, a majority in number, representing at least 75% of the aggregate value of the Scheme Claims, of the Scheme Creditors present and voting (whether in person or by proxy) at the Scheme Meeting must vote to approve the China Aoyuan Schemes.
- 2.1.2** The Scheme Meeting in respect of the China Aoyuan HK Scheme and China Aoyuan Cayman Scheme will be convened as one meeting at the same time and place. The Scheme Meeting will be held at the offices of Linklaters at 11th Floor Alexandra House, Chater Road, Hong Kong ("**Linklaters Hong Kong Office**") at **8 p.m. Hong Kong time on 28 November 2023, the equivalent being 7 a.m. Cayman Islands time on 28 November 2023**, with a live video conference linked to the office of Harney Westwood & Riegels, LP at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands ("**Harneys Cayman Office**") at **7 a.m. Cayman Islands time on 28 November 2023**. Registration at the Scheme Meeting will commence at **6 p.m. Hong Kong time on 28 November 2023, the equivalent being 5 a.m. Cayman Islands time on 28 November 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case, any changes in arrangements relating to the Scheme

Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid email addresses). Scheme Creditors will be able to attend the Scheme Meeting either in person, by a duly authorised representative (if a corporation) or by proxy. As Scheme Creditors will be able to attend in person either at the Linklaters Hong Kong Office or the Harneys Cayman Office to view the live video conference of the Scheme Meeting, references to attending and voting at the Scheme Meeting in person in this Solicitation Packet should, as appropriate, be read as including attending either at the Linklaters Hong Kong Office or the live video conference at the Harneys Cayman Office. Telephone and video conference facilities will also be made available to Scheme Creditors upon request to the Information Agent (if you are a Scheme Creditor who is not a Blocked Scheme Creditor) or the Blocked Scheme Creditor Tabulation Agent (if you are a Blocked Scheme Creditor) at least 48 hours before the Scheme Meeting, allowing Scheme Creditors to listen in to the Scheme Meeting and to ask questions (but not to cast their vote). Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy either at the Linklaters Hong Kong Office or at the Harneys Cayman Office. Refer to paragraphs 3.4.2 and 3.4.3 below for detailed instructions to attending the Scheme Meeting.

- 2.1.3 The Scheme Meeting will be chaired by Edward Simon Middleton, a managing director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong (or such other person(s) of Alvarez & Marsal Asia Limited as appropriate), and/or James William Hooper, a managing director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong (or such other person(s) of Alvarez & Marsal Asia Limited as appropriate). Formal notice of the Scheme Meeting is set out in Appendix 4 (*Notice of Scheme Meeting*) to the Explanatory Statements.
- 2.1.4 The dates referred to in paragraph 2.1.2 above assume that the Scheme Meeting will not be adjourned or delayed.
- 2.1.5 By the order of the Cayman Court dated 31 October 2023, the Cayman Court has directed that the Existing Public Notes Trustee and the Existing Notes Common Depositary (including any nominee(s) of the Existing Notes Common Depositary as registered holders of the Existing Notes) shall not vote in respect of the Existing Notes at the Scheme Meeting.

## **2.2 Process and deadline for voting at the Scheme Meeting**

### **2.2.1 General**

- (i) Voting on the China Aoyuan Schemes will take place at the Scheme Meeting by Scheme Creditors appearing in person, by a duly authorised representative (in the case of a corporation) or by proxy.
- (ii) Each Scheme Creditor may decide, among other things:
  - (a) to attend and vote at the Scheme Meeting in person or, if a corporation, by a duly authorised representative;

- (b) to instruct the Chairperson as its proxy to cast a vote on behalf of such Scheme Creditor in accordance with the wishes of such Scheme Creditor; or
  - (c) to appoint someone else as its proxy to attend and whether to instruct it to cast a vote in accordance with the wishes of such Scheme Creditor.
- (iii) Each Scheme Creditor is recommended to appoint a proxy (either the Chairperson or someone of its choice who would be willing to attend the Scheme Meeting) in any event, even if that Scheme Creditor intends to attend and vote in person or, if a corporation, by a duly authorised representative, in case such Scheme Creditor is unable to do so for some reason. A Scheme Creditor who appoints a proxy will still be entitled to attend and vote at the Scheme Meeting in person or, if a corporation, by a duly authorised representative, but the proxy previously appointed will no longer be entitled to vote under that appointment.

#### **2.2.2 Voting at the Scheme Meeting by Scheme Creditors (who are not Blocked Scheme Creditors)**

- (i) In order to vote at the Scheme Meeting, such Scheme Creditor should arrange to have submitted on its behalf a validly completed Account Holder Letter or Lender Proxy Form (as applicable) in accordance with the instructions herein by the **Voting Instruction Deadline** via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>).
- (ii) Additionally, in the case of an Existing Noteholder:
  - (a) Prior to submitting the Account Holder Letter, a Custody Instruction must also have been submitted in respect of such Scheme Creditor's Existing Notes prior to the **Custody Instruction Deadline** (see paragraph 5.2 (*Procedure for blocking Existing Notes*) below for further details).
  - (b) If such Scheme Creditor is not an Account Holder, it must ensure that it submits its voting instructions and elections to its Account Holder sufficiently in advance of the Voting Instruction Deadline to enable its Account Holder to complete and submit the Account Holder Letter to the Information Agent by the Voting Instruction Deadline.
- (iii) Subject to paragraph 2.2.3 (*Voting at the Scheme Meeting by Blocked Scheme Creditors*) below, the failure of such Scheme Creditor to:
  - (a) in the case of an Existing Noteholder:
    - (I) block (or procure that its Account Holder blocks) its Existing Notes in the relevant Clearing System before the Custody Instruction Deadline; and/or
    - (II) submit (or, if applicable, procure that its Account Holder submits) a validly completed Account Holder Letter by the Voting Instruction Deadline via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>); or

- (b) in the case of an Existing Lender, submit a validly completed Lender Proxy Form by the Voting Instruction Deadline via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>),

will mean that the voting instructions and elections contained in any Account Holder Letter or Lender Proxy Form (as applicable) submitted to and received by the Information Agent from or on behalf of that Scheme Creditor will, subject to the Chairperson's discretion, be disregarded for the purposes of voting at the Scheme Meeting and the relevant Scheme Creditor will not be entitled to vote on the China Aoyuan Schemes at the Scheme Meeting.

### **2.2.3 Voting at the Scheme Meeting by Blocked Scheme Creditors**

A Blocked Scheme Creditor should submit (or arrange to have submitted on its behalf) a validly completed Blocked Scheme Creditor Form in accordance with the instructions herein by the **Voting Instruction Deadline** to the Blocked Scheme Creditor Tabulation Agent by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com).

### **2.2.4 Discretion of Chairperson**

Notwithstanding any other provision of the Explanatory Statements, the Chairperson of the Scheme Meeting will be entitled, at the sole discretion of the Chairperson, to permit a Scheme Creditor (or a proxy on its behalf) to vote at the Scheme Meeting, notwithstanding the fact that its completed Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) has not been delivered prior to the Voting Instruction Deadline if: (i) the relevant Scheme Creditor has delivered (or has arranged to have its Account Holder deliver on its behalf) a validly completed Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) between the Voting Instruction Deadline and the Scheme Meeting; or (ii) the Chairperson considers that the relevant Scheme Creditor has produced sufficient proof that it is in fact a Scheme Creditor.

## **2.3 Assessment of Scheme Claims for voting purposes**

**2.3.1** Every Scheme Creditor whose vote is validly cast in person or by its authorised representative (if a corporation) or by proxy at the Scheme Meeting shall have one vote for every USD1 of its Voting Scheme Claims (as defined below) (rounded down to the nearest USD1) as calculated for voting purposes in accordance with paragraph 2.3.2 below.

**2.3.2** Subject to paragraph 2.3.6 below, the amount of the Scheme Claims of each Scheme Creditor who submits (or has submitted on its behalf) a valid Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) will be calculated and admitted for voting purposes at the Scheme Meeting at a value equal to the sum of:

- (i) the outstanding principal amount of the Existing Notes (in which each Scheme Creditor held an economic or beneficial interest as principal (without double counting)) and Existing Loans (in which each Scheme Creditor has a beneficial interest as principal) as at the **Record Date**; and
- (ii) all accrued and unpaid interest relating to such Existing Notes and Existing Loans, in each case, up to (and including) the **Reference Date**,

(together, the "**Voting Scheme Claims**").



**2.3.3** Subject to paragraph 2.3.6 below:

- (i) in respect of Scheme Creditors (who are not Blocked Scheme Creditors), the Information Agent shall assist the Chairperson to assess Voting Scheme Claims for the purposes of determining the number of votes to be assigned to a Scheme Creditor by:
  - (a) in the case of the Existing Notes: (x) verifying the principal amount of the Existing Notes set out in the relevant Account Holder Letter against the information provided by the Clearing System through which that Scheme Creditor (or its Account Holder acting on its behalf) holds its interest in the Existing Notes as at the Record Date; and (y) reconciling the Custody Instruction Reference Number specified in the Account Holder Letter submitted by or on behalf of a Scheme Creditor with the blocking instructions recorded by Euroclear and Clearstream; and
  - (b) in the case of the Existing Loans, verifying the principal amount of the Existing Loans set out in the relevant Lender Proxy Form against the accompanying evidence submitted by the Existing Lenders and the records of the Company; and
- (ii) in respect of Blocked Scheme Creditors, the Blocked Scheme Creditor Tabulation Agent shall review if each Blocked Scheme Creditor Form has been completed and the Company shall review each Blocked Scheme Creditor Form and the accompanying evidence submitted by the Voting Instruction Deadline to assess if the form has been validly completed. If the identity and status as a Scheme Creditor and the value of its holding has been reliably established to the satisfaction of the Blocked Scheme Creditor Tabulation Agent (acting on the instructions of the Company), the Blocked Scheme Creditor Tabulation Agent shall provide to the Chairperson a recommendation that the vote contained therein be admitted as part of the overall vote on the China Aoyuan Schemes. The Blocked Scheme Creditor Tabulation Agent shall assist the Chairperson to assess Voting Scheme Claims for the purposes of determining the number of votes to be assigned to a Blocked Scheme Creditor by reference to: (a) the outstanding principal amount of Existing Notes in which the relevant Blocked Scheme Creditor held the legal or beneficial interest as at the Record Date; and (b) all accrued and unpaid interest relating to such Existing Notes up to (and including) the Reference Date. The Chairperson retains absolute discretion to accept or reject any such Blocked Scheme Creditor Forms. Neither the Clearing Systems nor the Information Agent will assist the Blocked Scheme Creditor Tabulation Agent or the Chairperson with the review of this evidence and therefore the Blocked Scheme Creditor Tabulation Agent and the Chairperson will be entirely reliant upon the evidence provided by the Blocked Scheme Creditor to establish its identity, status as a Scheme Creditor and value of its holding.

**2.3.4** Notwithstanding the foregoing, it is the sole responsibility of each Scheme Creditor to ensure that any Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed or Designated Recipient Form (as applicable) submitted in respect of its Scheme Claim has been validly completed, including the Accession

Code, if applicable, and that any Custody Instruction has been validly submitted via the Clearing Systems.

- 2.3.5** Only those persons who: (i) are Scheme Creditors as at the Record Date; and (ii) have submitted (or arranged to have submitted on their behalf) an Account Holder Letter or Lender Proxy Form by the Voting Instruction Deadline via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) in accordance with paragraph 3.1 (*Completion and submission of an Account Holder Letter by Existing Noteholders (who are not Blocked Scheme Creditors)*) and paragraph 3.2 (*Completion and submission of a Lender Proxy Form by Existing Lenders*) (respectively), or a Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent in accordance with paragraph 3.3 (*Completion and submission of a Blocked Scheme Creditor Form by Blocked Scheme Creditors*) (as applicable), are entitled to attend and vote, either in person or, if a corporation, by a duly authorised representative, or by proxy at the Scheme Meeting. For the avoidance of doubt (in accordance with their respective customary practices), neither the Existing Public Notes Trustee nor the Existing Notes Common Depositary will exercise any voting rights that they may have in respect of the Existing Notes at the Scheme Meeting.
- 2.3.6** The Chairperson may, for voting purposes only, reject a Voting Scheme Claim in whole or in part if the Chairperson considers that the relevant Scheme Creditor has not complied with the voting procedures described in this Solicitation Packet. If a Voting Scheme Claim is contingent, its value is unascertained or disputed, or is otherwise disputed, but the Chairperson is able to ascribe a just estimate of that Voting Scheme Claim, the Chairperson may admit the Voting Scheme Claim for voting purposes at the Scheme Meeting only at that value. If the Chairperson is otherwise unable to ascribe a just estimate of its value, that Voting Scheme Claim may be valued at USD1 for voting purposes.
- 2.3.7** The Chairperson will report to the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing and the HK Court at the China Aoyuan HK Scheme Sanction Hearing with their decision to reject any Voting Scheme Claims, with details of any such Voting Scheme Claims and the reasons for rejection.
- 2.3.8** Subject to any inherent jurisdiction of the Cayman Court and HK Court, the decision of the Chairperson as to the admission of votes at the Scheme Meeting shall be final and binding to the fullest extent permitted by law for the purposes of, and in relation to the proceedings at, the Scheme Meeting.
- 2.3.9** The admission and valuation of any Voting Scheme Claim for voting purposes does not (in itself) constitute an admission of the existence or value of any Scheme Claim and will not bind the Company for any purpose other than voting at the Scheme Meeting.

### **3 INSTRUCTIONS RELATING TO VOTING AND ATTENDING THE SCHEME MEETING**

#### **3.1 Completion and submission of an Account Holder Letter by Existing Noteholders (who are not Blocked Scheme Creditors)**

- 3.1.1** Each Existing Public Noteholder should ensure that the following is included in the Account Holder Letter (Existing Public Notes) submitted:

- (i) its identity and other information in Section 1 (*Details of the Existing Public Noteholder*) of Part 1 (*Existing Public Noteholder, Account Holder and Holdings Details*) of the Account Holder Letter (Existing Public Notes);
- (ii) the Account Holder's information and details of the Existing Public Notes which are the subject of the Account Holder Letter (Existing Public Notes), including the ISIN code, the principal amount of the Existing Public Notes held, the Clearing System participant account number of the Account Holder and, in respect of the relevant Custody Instruction, the relevant Custody Instruction Reference Number and Accession Code (if applicable) in Sections 2 (*Account Holder Details*) and 3 (*Details of Holdings*) of Part 1 (*Existing Public Noteholder, Account Holder and Holdings Details*) of the Account Holder Letter (Existing Public Notes);
- (iii) its voting instructions with respect to the China Aoyuan Schemes and Add Hero Schemes in Part 2 (*Voting and Appointment of Proxy*) of the Account Holder Letter (Existing Public Notes);
- (iv) if applicable, the appointment of a Designated Recipient in Appendix 1 (*Designated Recipient Form*) of the Account Holder Letter (Existing Public Notes); and
- (v) a completed and signed (by the Scheme Creditor (if the Scheme Creditor is an Account Holder) or the Account Holder on behalf of the Scheme Creditor or, if applicable, a Designated Recipient) Distribution Confirmation Deed in Appendix 2 (*Distribution Confirmation Deed*) of the Account Holder Letter (Existing Public Notes).

**3.1.2** Each Existing Private Noteholder should ensure that the following is included in the Account Holder Letter (Existing Private Notes) submitted:

- (i) its identity and other information in Section 1 (*Details of the Existing Private Noteholder*) of Part 1 (*Existing Private Noteholder, Account Holder and Holdings Details*) of the Account Holder Letter (Existing Private Notes);
- (ii) the Account Holder's information and details of the Existing Private Notes which are the subject of the Account Holder Letter (Existing Private Notes), including the ISIN code, the principal amount of the Existing Private Notes held, the Clearing System participant account number of the Account Holder and, in respect of the relevant Custody Instruction, the relevant Custody Instruction Reference Number and Accession Code (if applicable) in Sections 2 (*Account Holder Details*) and 3 (*Details of Holdings*) of Part 1 (*Existing Private Noteholder, Account Holder and Holdings Details*) of the Account Holder Letter (Existing Private Notes);
- (iii) its voting instructions with respect to the China Aoyuan Schemes in Part 2 (*Voting and Appointment of Proxy*) of the Account Holder Letter (Existing Private Notes);
- (iv) if applicable, the appointment of a Designated Recipient in Appendix 1 (*Designated Recipient Form*) of the Account Holder Letter (Existing Private Notes); and

- (v) a completed and signed (by the Scheme Creditor (if the Scheme Creditor is an Account Holder) or the Account Holder on behalf of the Scheme Creditor or, if applicable, a Designated Recipient) Distribution Confirmation Deed in Appendix 2 (*Distribution Confirmation Deed*) of the Account Holder Letter (Existing Private Notes).
- 3.1.3** Each Existing Noteholder that submits, delivers or procures the delivery of an Account Holder Letter shall be deemed to make the representations, warranties and undertakings to the Company, the Chairperson and the Information Agent set forth in the Account Holder Letter.
- 3.1.4** All Account Holder Letters should be submitted by Account Holders as soon as possible to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) and, in any event, by the Voting Instruction Deadline. Any Account Holder Letter submitted to and received by the Information Agent after the Voting Instruction Deadline will be disregarded for voting purposes and the applicable Existing Noteholder shall not be entitled to vote at the Scheme Meeting, except as may be permitted by the Chairperson in his or her sole discretion.
- 3.1.5** In the case of Existing Noteholders who are not Blocked Scheme Creditors, it will be the responsibility of an Account Holder to obtain from the Scheme Creditor (through any Intermediaries, if applicable), on whose behalf they are acting, in accordance with the procedures established between them, whatever information or instructions they may require to identify in an Account Holder Letter (including, for the avoidance of doubt, the Designated Recipient Form, if applicable, and the Distribution Confirmation Deed) and to provide the information, instructions and confirmations required by the Account Holder Letter.

## **3.2 Completion and submission of a Lender Proxy Form by Existing Lenders**

- 3.2.1** Each Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender should ensure that the following is included in the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility) submitted:
- (i) its identity and other information in Section 1 (*Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender*) of Part 1 (*Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender and Holding Details*) of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility);
  - (ii) details of the Existing Syndicated Facilities and/or USD100m Noble Prestige Facility (as applicable) which are the subject of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility), including the description of the relevant Existing Syndicated Facilities and/or USD100m Noble Prestige Facility (as applicable), the principal amount of the Existing Syndicated Facilities and/or USD100m Noble Prestige Facility (as applicable) and Accession Code (if applicable) held in Section 2 (*Details of Holdings*) of Part 1 (*Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender and Holdings Details*) of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility);

- (iii) its voting instructions with respect to the China Aoyuan Schemes and Add Hero Schemes in Part 2 (*Voting and Appointment of Proxy*) of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility);
- (iv) if applicable, the appointment of a Designated Recipient in Appendix 1 (*Designated Recipient Form*) of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility); and
- (v) a Distribution Confirmation Deed in Appendix 2 (*Distribution Confirmation Deed*) of the Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility), completed and signed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (as applicable) or, if applicable, a Designated Recipient.

**3.2.2** Each Other Non-ICA Debt Lender should ensure that the following is included in the Lender Proxy Form (Other Non-ICA Debt) submitted:

- (i) its identity and other information in Section 1 (*Details of the Other Non-ICA Debt Lender*) of Part 1 (*Other Non-ICA Debt Lender and Holding Details*) of the Lender Proxy Form (Other Non-ICA Debt);
- (ii) details of the Other Non-ICA Debt which are the subject of the Lender Proxy Form (Other Non-ICA Debt), including the description of the relevant Other Non-ICA Debt, the principal amount of the Other Non-ICA Debt and Accession Code (if applicable) held in Section 2 (*Details of Holdings*) of Part 1 (*Other Non-ICA Debt Lender and Holdings Details*) of the Lender Proxy Form (Other Non-ICA Debt);
- (iii) its voting instructions with respect to the China Aoyuan Schemes in Part 2 (*Voting and Appointment of Proxy*) of the Lender Proxy Form (Other Non-ICA Debt);
- (iv) if applicable, the appointment of a Designated Recipient in Appendix 1 (*Designated Recipient Form*) of the Lender Proxy Form (Other Non-ICA Debt); and
- (v) a Distribution Confirmation Deed in Appendix 2 (*Distribution Confirmation Deed*) of the Lender Proxy Form (Other Non-ICA Debt), completed and signed by the Other Non-ICA Debt Lender or, if applicable, a Designated Recipient.

**3.2.3** Each Existing Lender that submits, delivers or procures the delivery of a Lender Proxy Form shall be deemed to make the representations, warranties and undertakings to the Company, the Chairperson and the Information Agent set forth in the Lender Proxy Form.

**3.2.4** All Lender Proxy Forms should be submitted by Existing Lenders as soon as possible to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) and, in any event, by the Voting Instruction Deadline. Any Lender Proxy Form submitted to and received by the Information Agent after the Voting Instruction Deadline will be disregarded for voting purposes and the applicable Existing Lender shall not be entitled to vote at the

Scheme Meeting, except as may be permitted by the Chairperson in his or her sole discretion.

### **3.3 Completion and submission of a Blocked Scheme Creditor Form by Blocked Scheme Creditors**

- 3.3.1** Before any part of the Blocked Scheme Creditor Form is completed, all Blocked Scheme Creditors are strongly advised to read the Explanatory Statements and the China Aoyuan Schemes and this Solicitation Packet set out at Appendix 2 (*China Aoyuan HK Scheme*), Appendix 3 (*China Aoyuan Cayman Scheme*) and Appendix 5 (*Solicitation Packet*), respectively, to the Explanatory Statement.
- 3.3.2** All Blocked Scheme Creditor Forms should be submitted as soon as possible to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), and in any event by the Voting Instruction Deadline. Any Blocked Scheme Creditor Form submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline will be disregarded for voting purposes and the applicable Blocked Scheme Creditor shall not be entitled to vote at the Scheme Meeting, except as may be permitted by the Chairperson in his or her sole discretion.
- 3.3.3** Neither the Company nor the Information Agent nor the Chairperson nor the Blocked Scheme Creditor Tabulation Agent will be responsible for any loss or liability incurred by a Scheme Creditor as a result of any determination by the Company or the Chairperson (as applicable) that an Account Holder Letter, the relevant Lender Proxy Form, or Blocked Scheme Creditor Form contains an error or is incomplete, even if this is subsequently shown not to have been the case (save for wilful default, wilful misconduct or fraud).

### **3.4 Attending the Scheme Meeting**

- 3.4.1** The Scheme Meeting will take place at the time and place described in paragraph 2.1.2 above.
- 3.4.2** A Scheme Creditor or its proxy may attend and vote at the Scheme Meeting by attending in person at the Linklaters Hong Kong Office (at 11<sup>th</sup> Floor Alexandra House, Chater Road, Hong Kong) or in person at the Harneys Cayman Office (at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands) to view the live video conference of the Scheme Meeting, provided that an Account Holder Letter or Lender Proxy Form have been validly submitted in relation to their Existing Debts. A Scheme Creditor must notify the Information Agent or Blocked Scheme Creditor Tabulation Agent of their intention to attend the Scheme Meeting by no later than the Voting Instruction Deadline. Telephone and video conference facilities will also be made available to Scheme Creditors upon request to the Information Agent (if you are not a Blocked Scheme Creditor) or the Blocked Scheme Creditor Tabulation Agent (if you are a Blocked Scheme Creditor) at least 48 hours before the Scheme Meeting, allowing the Scheme Creditors to listen in to the Scheme Meeting and to ask questions (but not to cast their vote). Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy either at the Linklaters Hong Kong Office or the Harneys Cayman Office.
- 3.4.3** Any Scheme Creditor or its proxy attending the Scheme Meeting in person must produce a duplicate copy of either: (a) the Account Holder Letter or Lender Proxy

Form (as applicable) validly completed and submitted by or on behalf of that Scheme Creditor or the Blocked Scheme Creditor Form validly completed and submitted on behalf of that Blocked Scheme Creditor; and (b) evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson. For the avoidance of doubt, if a Scheme Creditor appoints the Chairperson as its proxy, there is no need for the Chairperson to take the Account Holder Letter, Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) to the Scheme Meeting.

- 3.4.4** A Scheme Creditor who has indicated in the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) that it wishes to attend the Scheme Meeting in person or by proxy prior to the Voting Instruction Deadline and has subsequently confirmed to the Information Agent or Blocked Scheme Creditor Tabulation Agent (as applicable) that it is unable to attend in person or by proxy, and wishes to observe the Scheme Meeting via telephone or video conference facilities will be sent instructions for dialling in via telephone or video conference from the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable) to the contact information provided in the Account Holder Letter or the Blocked Scheme Creditor Form (as applicable), upon the Information Agent or the Blocked Scheme Creditor Tabulation Agent (as applicable) (on behalf of and in consultation with the Company) being satisfied that the Scheme Creditor and/or the representative requesting the same has provided evidence of its identity and/or its authority to represent the Scheme Creditor at the Scheme Meeting. For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation) or their proxies will not be able to cast their vote at the Scheme Meeting should they observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy either at the Linklaters Hong Kong Office or at the Harneys Cayman Office.

## **4 INSTRUCTIONS RELATING TO SCHEME CONSIDERATION ENTITLEMENT**

### **4.1 Reference Date, Record Date and Scheme Effective Date**

- 4.1.1** All Scheme Claims shall be determined as follows:
- (i) the outstanding principal amount of the Existing Notes (in which each Scheme Creditor held an economic or beneficial interest as principal (without double counting)) and Existing Loans (in which each Scheme Creditor has a beneficial interest as principal) as at the **Record Date**; and
  - (ii) all accrued and unpaid interest relating to such Existing Notes and Existing Loans, in each case, up to (and including) the **Reference Date**.
- 4.1.2** If the Scheme Effective Date occurs, the China Aoyuan Schemes will become effective and binding on the Company and all Scheme Creditors (and any person who acquires any interest in or arising out of a Scheme Claim after the Record Date).

## **4.2 Assignments or transfers of Scheme Claims after the Record Date**

Neither the Company, the Information Agent nor the Blocked Scheme Creditor Tabulation Agent shall be under any obligation to recognise any sale, assignment or transfer of any Scheme Claim after the Record Date and all entitlements of Scheme Creditors (and/or their Designated Recipients, as applicable) under the China Aoyuan Schemes shall be determined as at the Record Date, provided that the Company may, in its sole discretion and subject to the production of such evidence as it may reasonably require and to any other terms and conditions which the Company may consider necessary or desirable, agree to recognise such assignment or transfer for the purposes of determining any Scheme Consideration Entitlement under the China Aoyuan Schemes. Any assignee or transferee of a Scheme Creditor so recognised by the Company shall be bound by the terms of the China Aoyuan Schemes as if it were a Scheme Creditor and shall produce such evidence as the Company may reasonably require to confirm that it has agreed to be bound by the terms of the China Aoyuan Schemes.

## **4.3 Scheme Consideration Entitlement**

**4.3.1** Each Scheme Creditor's Scheme Consideration Entitlement shall be comprised of the following:

- (i) its Aoyuan New Notes Entitlement to be issued by the Company on the Restructuring Effective Date, pursuant to the Aoyuan New Notes Indenture;
- (ii) its Aoyuan MCB Entitlement to be issued by the Company on the Restructuring Effective Date, pursuant to the Aoyuan MCB Trust Deed;
- (iii) its Aoyuan Perpetuals Entitlement to be issued by the Company on the Restructuring Effective Date, pursuant to the Aoyuan Perpetuals Fiscal Agency Agreement;
- (iv) its Transfer Shares Entitlement to be transferred by the Sponsor on the Restructuring Effective Date; and
- (v) its New Shares Entitlement to be issued by the Company: (i) on the Restructuring Effective Date if a Scheme Creditor submits via the Scheme Portal a validly completed and signed copy of the Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed and Designated Recipient Form (as applicable) by the Voting Instruction Deadline; or (ii) on the Holding Period Expiry Date, if a Scheme Creditor submits via the Scheme Portal a validly completed and signed copy of the Account Holder Letter, Lender Proxy Form, Distribution Confirmation Deed and Designated Recipient Form (as applicable) by the Bar Time,

which shall, in each case, be allocated in accordance with a Scheme Creditor's validly completed Account Holder Letter or Lender Proxy Form (as applicable).

**4.3.2** A Scheme Creditor may receive or be otherwise allocated its Scheme Consideration Entitlement on the Restructuring Effective Date even if it votes against, or does not submit a vote in respect of, the China Aoyuan Schemes, subject to it complying with paragraph 4.4 (*Distribution of Scheme Consideration Entitlement to Scheme Creditors (who are not Blocked Scheme Creditors)*) or 4.6 (*Allocation of Blocked*



*Scheme Consideration Entitlement to Blocked Scheme Creditors*) below (as applicable).

#### **4.4 Distribution of Scheme Consideration Entitlement to Scheme Creditors (who are not Blocked Scheme Creditors)**

**4.4.1** The Scheme Consideration Entitlement of each such Scheme Creditor will be distributed as follows under the terms of the China Aoyuan Schemes:

- (i) on the **Restructuring Effective Date**, the Scheme Consideration Entitlement (which shall be comprised of the Aoyuan New Securities Entitlement, the New Shares Entitlement and the Transfer Shares Entitlement) will be distributed to such Scheme Creditors who have submitted (or arranged to have submitted on their behalf) to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) the validly completed and signed Account Holder Letter / Lender Proxy Form, Distribution Confirmation Deed and, if applicable, a Designated Recipient Form by the **Voting Instruction Deadline**.

In respect of the Existing Noteholders only, note that, prior to submitting the Account Holder Letter, a Custody Instruction must also have been submitted in respect of the Scheme Creditors' Existing Notes prior to the **Custody Instruction Deadline** (see paragraph 5.2 (*Procedure for blocking Existing Notes*) below for further details); and

- (ii) **on the Holding Period Expiry Date:**

- (a) the Aoyuan New Securities Entitlement and the Transfer Shares Entitlement will be distributed to those Unadmitted Scheme Creditors (being such Scheme Creditors who did not receive their Scheme Consideration Entitlement on the Restructuring Effective Date), provided that such Unadmitted Scheme Creditors should establish their entitlement to their share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed by the **Bar Time**; and
- (b) the New Shares Entitlement will be issued by the Company to the Unadmitted Scheme Creditors, provided that such Unadmitted Scheme Creditors submit (or arrange to have submitted on their behalf) to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) the validly completed and signed Account Holder Letter / Lender Proxy Form, Distribution Confirmation Deed and, if applicable, a Designated Recipient Form by the **Bar Time**.

**4.4.2** The Aoyuan New Securities Entitlement and Transfer Shares Entitlement of each such Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) will be eligible for distribution, clearing and settlement only through Euroclear and Clearstream and will be distributed to:

- (i) in the case of the Existing Noteholders, the same Euroclear or Clearstream account in which the Existing Notes to which that Scheme Creditor was entitled at the Record Date were held; and

- (ii) in the case of the Existing Lenders, the securities account specified in the Lender Proxy Form.

**4.4.3** The New Shares Entitlement of each such Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) will only be issued in scrip form to the: (i) Scheme Creditor; or (ii) Designated Recipient (if appointed), as specified in the Account Holder Letter or Lender Proxy Form of such Scheme Creditor (as applicable). A Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) may collect a physical copy of the share certificate evidencing its New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **4.5 Blocked Scheme Consideration Entitlement**

**4.5.1** Each Blocked Scheme Consideration Entitlement shall be comprised of the following:

- (i) Blocked Aoyuan New Notes Entitlement to be issued by the Company pursuant to the Aoyuan New Notes Indenture;
- (ii) Blocked Aoyuan MCB Entitlement to be issued by the Company pursuant to the Aoyuan MCB Trust Deed;
- (iii) Blocked Aoyuan Perpetuals Entitlement to be issued by the Company pursuant to the Aoyuan Perpetuals Fiscal Agency Agreement;
- (iv) Blocked Transfer Shares Entitlement; and
- (v) Blocked New Shares Entitlement,

which shall, in each case, be allocated in accordance with a Blocked Scheme Creditor's validly completed Blocked Scheme Creditor Form.

**4.5.2** A Blocked Scheme Creditor may be allocated its Blocked Scheme Consideration Entitlement on the Restructuring Effective Date even if it votes against, or does not submit a vote in respect of, the China Aoyuan Schemes, subject to it complying with paragraph 4.6 (*Allocation of Blocked Scheme Consideration Entitlement to Blocked Scheme Creditors*) below.

#### **4.6 Allocation of Blocked Scheme Consideration Entitlement to Blocked Scheme Creditors**

**4.6.1** The Blocked Scheme Consideration Entitlement of each Blocked Scheme Creditor will be allocated as follows in accordance with the terms of the China Aoyuan Schemes:

- (i) on the **Restructuring Effective Date**, the Blocked Scheme Consideration Entitlement (which shall be comprised of the Blocked Aoyuan New Securities Entitlement, the Blocked New Shares Entitlement and the Blocked Transfer Shares Entitlement) will be allocated to the Blocked Scheme Creditors who have submitted (or arranged to have submitted on their behalf) to the Blocked Scheme Creditor Tabulation Agent validly completed and signed copies of the Blocked Scheme Creditor Form by the **Voting Instruction Deadline**, save that only the Blocked Aoyuan New Securities Entitlement

and the Blocked Transfer Shares Entitlement will be transferred to the Escrow Agent; and

- (ii) on the **Holding Period Expiry Date**:
  - (a) the Blocked Aoyuan New Securities Entitlement and the Transfer Shares Entitlement will be allocated to those Unadmitted Scheme Creditors who are Blocked Scheme Creditors, provided that such Unadmitted Scheme Creditors should establish their entitlement to their share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed by the **Bar Time**, with such Trust Assets transferred to the Escrow Agent; and
  - (b) the Blocked New Shares Entitlement will be allocated (but not issued) to those Unadmitted Scheme Creditors who are Blocked Scheme Creditors, provided that they have submitted (or arranged to have submitted on their behalf) to the Blocked Scheme Creditor Tabulation Agent validly completed and signed copies of the Blocked Scheme Creditor Form by the **Bar Time**.

The Company shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and the Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

- 4.6.2 Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent that the Company is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

#### **4.7 Bar Time and Holding Period Expiry Date**

- 4.7.1 The **Holding Period Custody Instruction Deadline** is the final deadline for an Account Holder to submit a valid Custody Instruction on behalf of the Scheme Creditors (who are Existing Noteholders).
- 4.7.2 The **Bar Time** is the final deadline for a Scheme Creditor to submit the documentation required to receive any Scheme Consideration Entitlement under the terms of the China Aoyuan Schemes.
- 4.7.3 The **Holding Period Expiry Date** is the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

- 4.7.4 If a Scheme Creditor has not already done so by the Voting Instruction Deadline, it must ensure that validly completed and signed copies of the required documents are received by the Information Agent (for Scheme Creditors who are not Blocked Scheme Creditors) via the Scheme Portal or the Blocked Scheme Creditor Tabulation Agent (for Blocked Scheme Creditors) by the Bar Time in accordance with the terms of the Holding Period Trust Deed and the China Aoyuan Schemes to receive or be allocated (as applicable) its share of the relevant Trust Assets and its New Shares Entitlement on the Holding Period Expiry Date.
- 4.7.5 Any remaining amount of the Trust Assets after the distribution set out in paragraph 4.7.4 above shall be transferred to the Company (or any person nominated by the Company) by the Holding Period Trustee in accordance with the terms of the Holding Period Trust Deed.

**All Scheme Claims will be released on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes. If a Scheme Creditor fails to do the above, including following the procedures set out in paragraph 4.7 (*Bar Time and Holding Period Expiry Date*) and the Holding Period Trust Deed, it will cease to be entitled to receive any Scheme Consideration Entitlement but shall have its Scheme Claims compromised irrevocably and shall be bound by the releases under the China Aoyuan Schemes.**

## **5 BLOCKING EXISTING NOTES AND UNDERTAKING NOT TO TRANSFER (FOR EXISTING NOTEHOLDERS WHO ARE NOT BLOCKED SCHEME CREDITORS)**

### **5.1 General**

- 5.1.1 For the avoidance of doubt, the instructions set out in this paragraph 5 are not applicable to Existing Lenders.
- 5.1.2 An Existing Noteholder who procures the submission of an Account Holder Letter by the Voting Instruction Deadline to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date must, prior to delivering the Account Holder Letter to the Information Agent, first block its Existing Notes by ensuring that its Account Holder submits a Custody Instruction as per the instructions set out in paragraph 5.2 (*Procedure for blocking Existing Notes*) below.
- 5.1.3 An Account Holder Letter submitted by the Voting Instruction Deadline that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purposes of voting at the Scheme Meeting and/or receiving an Existing Noteholder's Scheme Consideration Entitlement on the Restructuring Effective Date and the Company, the Chairperson and the Information Agent reserve the right to reject any Account Holder Letter that does not contain a reference to a valid Custody Instruction Reference Number.
- 5.1.4 Please note that the Clearing System in which you (or your custodian) hold your Existing Notes may impose an earlier deadline for the submission of the Custody Instruction. To ensure timely submission of your Custody Instruction, please request your custodian to check with the Clearing System as to whether any earlier deadline is applicable and ensure that your Custody Instruction is received before any applicable deadline. This is particularly important if you wish to submit an Account Holder Letter by the Voting Instruction Deadline in order to vote at the Scheme

Meeting and/or to receive your Scheme Consideration Entitlement on the Restructuring Effective Date.

- 5.1.5** The Existing Notes should be blocked in accordance with the standard practices and procedures of Euroclear or Clearstream, as applicable, and the deadlines required by Euroclear or Clearstream, as applicable, their Account Holders and any Intermediary. Euroclear or Clearstream, as applicable, will automatically assign a Custody Instruction Reference Number in respect of each Custody Instruction and, as noted above, the Custody Instruction Reference Number must be cross-referenced in the Account Holder Letter relating to the Existing Notes in respect of which the Custody Instruction Reference Number has been obtained. It is the responsibility of the Account Holder to (and of an Existing Noteholder to ensure that its Account Holder does) comply with any particular deadlines required by such persons or the Information Agent in order to meet the Custody Instruction Deadline and the Voting Instruction Deadline. As such, Account Holders should ensure that Euroclear or Clearstream, as applicable, has received Custody Instructions regarding the Existing Notes that are the subject of each Account Holder Letter, and each Existing Noteholder procuring the submission of an Account Holder Letter by its Account Holder should instruct its Account Holder to confirm that (and the Account Holder should ensure that) the Account Holder Letter cross-references the Custody Instruction Reference Number.
- 5.1.6** If the Restructuring Effective Date occurs before the Longstop Date, all of the Existing Public Notes will be cancelled in the Clearing Systems and will be irrevocably released and cancelled in full in accordance with the terms of the China Aoyuan Schemes as at the Restructuring Effective Date and thereafter will not be capable of being traded in the Clearing Systems. For the avoidance of doubt, the Existing Private Notes will not be cancelled in the Clearing Systems on the Restructuring Effective Date and will be capable of being traded in the Clearing Systems after the Restructuring Effective Date. Where the Existing Private Notes are sold, assigned or transferred by an Existing Private Noteholder after the Restructuring Effective Date, the Existing Private Noteholder as at the Record Date shall remain entitled to receive the Scheme Consideration pursuant to the terms of the China Aoyuan Schemes (rather than the assignee, purchaser or transferee of the relevant Existing Private Notes).
- 5.1.7** Any documentation and relevant Custody Instruction submitted by or on behalf of an Existing Noteholder shall be irrevocable for all purposes in connection with the China Aoyuan Schemes unless and until the Company has provided an irrevocable instruction to the Information Agent in accordance with paragraph 5.1.8 below.
- 5.1.8** The Company shall provide an irrevocable instruction to the Information Agent, who will in turn provide the irrevocable instruction to the Clearing Systems, to immediately cause the Existing Notes to be unblocked:
- (i) on the Restructuring Effective Date (at which time the Existing Public Notes will be cancelled);
  - (ii) within two Business Days after one of the circumstances below occurs:
    - (a) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any

adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes;

- (b) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof);
  - (c) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof);
  - (d) the Restructuring does not become effective by the Longstop Date; or
  - (e) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or
- (iii) if the Company, at its sole discretion, consents to unblock the Existing Notes.

## **5.2 Procedure for blocking Existing Notes**

**5.2.1** Subject to paragraph 5.1.7 above, an Existing Noteholder that procures submission of an Account Holder Letter by the Voting Instruction Deadline (to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date) **must ensure that its Account Holder, prior to delivering the Account Holder Letter to the Information Agent:**

- (i) submits the relevant Custody Instruction to block its Existing Notes in Euroclear or Clearstream in accordance with the standard practices and procedures required by Euroclear or Clearstream prior to the Custody Instruction Deadline until such time as the Existing Notes are unblocked or, in the case of Existing Public Notes, cancelled in accordance with paragraph 5.1.8 above; and
- (ii) includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number.

**5.2.2** The relevant Clearing System will provide the Information Agent with confirmation that the Existing Notes that are the subject of the relevant Account Holder Letter have been blocked with effect from or before the date of the relevant Account Holder Letter. In the event that the Clearing System has not received a Custody Instruction prior to its relevant deadline, the Company may reject an Existing Noteholder's Account Holder Letter for the purposes of voting at the Scheme Meeting or receiving its Scheme Consideration Entitlement on the Restructuring Effective Date.

## **5.3 Undertaking not to transfer**

Once a Custody Instruction Reference Number has been received, the Existing Notes held by that Account Holder will be "blocked" from trading until such time as the Existing Notes are unblocked or, in the case of Existing Public Notes, cancelled in accordance with paragraph 5.1.8 above. By completion of the Account Holder Letter with the inclusion of the Custody Instruction Reference Number, each of the Existing Noteholders will be deemed to have given the undertaking that it will not, from the date of submission of its Account Holder Letter, sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Notes. Such undertaking will terminate immediately upon the Existing Notes being

unblocked or, in the case of Existing Public Notes, cancelled at the Restructuring Effective Date in accordance with paragraph 5.1.8 above.

## **6 UNDERTAKING NOT TO TRANSFER (FOR EXISTING LENDERS WHO ARE NOT BLOCKED SCHEME CREDITORS)**

**6.1** For the avoidance of doubt, the instructions set out in this paragraph 6 are not applicable for Existing Noteholders.

**6.2** By submitting a Lender Proxy Form, each of the Existing Lenders will be deemed to have given the undertaking that it will not, from the date of submission of its Lender Proxy Form, sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Loans ("**Transfer**"). Such undertaking will terminate immediately on the earliest of the following circumstances:

- 6.2.1** the Restructuring Effective Date;
- 6.2.2** the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes;
- 6.2.3** the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof);
- 6.2.4** the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof);
- 6.2.5** the Restructuring does not become effective by the Longstop Date;
- 6.2.6** the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or
- 6.2.7** the Company, at its sole discretion, consents to such Transfer of the Existing Loans.

## SCHEDULE 1

### ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)<sup>1</sup>

For use by Account Holders in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>1</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.



**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

This Account Holder Letter is **only** to be completed by Existing Public Noteholders (or by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder). If an Existing Public Noteholder is not an Account Holder, it must ensure that it submits its voting instructions, votes and elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Voting Instruction Deadline in order for the Existing Public Noteholder to vote at the Scheme Meetings. If you are not sure whether you are an Account Holder or an Existing Public Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Public Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Public Notes and/or the owner of the ultimate economic interest in any of the Existing Public Notes, who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Existing Public Noteholders must use this Account Holder Letter (by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Public Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive

their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Account Holder Letter is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 5 a.m. BVI time on 15 November 2023 and 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 5 a.m. BVI time on 20 November 2023 and 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 9 p.m. Hong Kong time on 28 November 2023, the equivalent time being 9 a.m. BVI time on 28 November 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.

- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Public Noteholder to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes and/or the Add Hero Schemes. Any Designated Recipient appointed by an Existing Public Noteholder must hold its account with the same Account Holder as that Existing Public Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes; and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

### **Blocking Existing Public Notes**

Any Existing Public Noteholder that procures the submission of an Account Holder Letter by the Voting Instruction Deadline to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date must first block its Existing Public Notes by ensuring that its Account Holder, **prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>)**, submits a Custody Instruction prior to the Custody Instruction Deadline and includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number. An Account Holder Letter that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purpose of voting at the Scheme Meeting and/or receiving any Scheme Consideration Entitlement on the Restructuring Effective Date and China Aoyuan and Add Hero each reserves the right to reject any such Account Holder Letter.

On the Restructuring Effective Date, the Existing Public Notes will be irrevocably cancelled and marked down in the Clearing Systems and thereafter will not be capable of being traded in the Clearing Systems.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Public Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim (in respect of the Existing Public Notes) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete this Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

### **FOR ASSISTANCE CONTACT**

#### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submissions): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING NOTEHOLDER, ACCOUNT HOLDER AND PUBLIC HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Public Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Public Noteholder	
Section 2	Account Holder Details	
Section 3	Details of Holdings	
Section 4	Account Holder Confirmations	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Account Holder for and on behalf of the Existing Public Noteholder if the Existing Public Noteholder would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Account Holder Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<p><i>Only if the Existing Public Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Public Noteholder (if applicable)</i></p> <p><i>For the avoidance of doubt, an Existing Public Noteholder does not have to complete a Designated Recipient Form in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i></p>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the</i>

Annex A	General confirmations, acknowledgements, warranties and undertakings	<p><i>Account Holder for and on behalf of the Existing Public Noteholder in order for the Existing Public Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i></p> <p><i>For the avoidance of doubt, an Existing Public Noteholder does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i></p>
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments and Add Hero Securities Form	

## PART 1

### EXISTING PUBLIC NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Account Holder Letter, an Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Public Noteholder will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Existing Public Noteholder**

Please identify the Existing Public Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Public Notes, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Public Noteholders:**

Type of Existing Public Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Public Noteholder: \_\_\_\_\_

Is the Existing Public Noteholder an Eligible Person<sup>2</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Public Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Public Noteholder: \_\_\_\_\_

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<sup>2</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>3</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>3</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Public Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Public Noteholder. Account Holders are not Existing Public Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Public Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.



### **Section 3**      **Details of Holdings**

The Account Holder holds the following Existing Public Notes to which this Account Holder Letter relates which have been "blocked" at the Record Date. Existing Public Notes must have been "blocked" through delivery of a Custody Instruction to the relevant Clearing System prior to the Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount blocked at Clearing System<sup>4</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>5</sup></b>	<b>Accession Code (if applicable)<sup>6</sup></b>
XS1611005957					
XS2282587505					
XS1937690128					
XS2264537684					
XS2378476951					
XS1952585112					
XS2014471432					
XS2196807833					
XS2351242461					
XS2258822233					
XS2233109409					
XS2307633565					

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<sup>4</sup> The amount entered should be the entire principal amount of Existing Public Notes in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Public Noteholder pursuant to this Account Holder Letter. If the Account Holder holds Existing Public Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>5</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Public Noteholder.

<sup>6</sup> The unique code provided by the Information Agent to an Existing Public Noteholder that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Public Noteholder in its Account Holder Letter in order to be eligible to receive the RSA Fees.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Public Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Public Noteholder: (i) holds the Existing Public Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; (ii) will ensure that such Existing Public Notes remain blocked in the relevant Clearing System until cancelled or unblocked in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes or as otherwise agreed by China Aoyuan or Add Hero (as applicable); and (iii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that China Aoyuan or Add Hero (as applicable) shall be entitled to treat such Existing Public Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the Scheme Consideration Entitlement in respect of such holding of Existing Public Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Public Noteholder voting or receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes and both of the Add Hero Schemes on the Restructuring Effective Date:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Public Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Public Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, Add Hero Notes, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder: \_\_\_\_\_

Date: \_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Public Noteholder intends to vote at the Scheme Meeting.**

#### **Section 1 Account Holder Voting Confirmations**

The Account Holder named in this Account Holder Letter for itself hereby confirms to China Aoyuan, Add Hero and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and every obligation of the Account Holder under this Account Holder Letter shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Account Holder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Account Holder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Account Holder and that all of the information in this Account Holder Letter is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Existing Public Notes identified in Section 3 (*Details of Holdings*) of Part 1 (*Existing Public Noteholder, Account Holder and Holdings Details*) of this Account Holder Letter, the Account Holder has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for an Existing Public Noteholder to be eligible to vote (either in person or by proxy), an Account Holder must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Account Holder Letter to the Information Agent, the Account Holder confirms that the Existing Public Noteholder agrees that the Existing Public Noteholder shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Information Agent as at the date on which this Account Holder Letter is delivered to the Information Agent.

1. Each Existing Public Noteholder who submits, delivers or procures the delivery of an Account Holder Letter represents, warrants and undertakes to China Aoyuan, Add Hero and the Information Agent that:
  - (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;

- (b) to the best of its knowledge, it is lawful to seek voting instructions from that Existing Public Noteholder in respect of the China Aoyuan Schemes and the Add Hero Schemes;
- (c) it is assuming all of the risks inherent in that Existing Public Noteholder participating in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes for that Existing Public Noteholder;
- (d) the Existing Public Notes which are the subject of the Account Holder Letter are, at the time of delivery of such Account Holder Letter, held by it (directly or indirectly) or on its behalf at the relevant Clearing System;
- (e) it has not given voting instructions or submitted an Account Holder Letter with respect to the Existing Public Notes other than those that are the subject of this Account Holder Letter;
- (f) it authorises the Clearing Systems to provide details concerning its identity, the Existing Public Notes which are the subject of the Account Holder Letter and delivered on its behalf and its applicable account details to China Aoyuan, Add Hero, the Chairperson, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
- (g) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Public Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Public Noteholder as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Public Noteholder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Public Noteholder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Public Noteholder;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Public Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Existing Public Noteholder, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
- (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Existing Public Noteholder that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2 Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

Please read notes in the "IMPORTANT NOTES" section below before selecting.

**In respect of the China Aoyuan Schemes:**

The Existing Public Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>7</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>7</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>8</sup>

The Existing Public Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>7</sup>

Attendee Name: \_\_\_\_\_

Passport country and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit:<sup>7</sup>

Attendee Name: \_\_\_\_\_

Passport country and number: \_\_\_\_\_

Email: \_\_\_\_\_

**In respect of the Add Hero Schemes:**

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<sup>7</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>8</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

The Existing Public Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>9</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>9</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>10</sup>

The Existing Public Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>9</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit:<sup>9</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>9</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>10</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Existing Public Noteholder is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Public Noteholder.
2. Any Existing Public Noteholder or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Account Holder Letter validly completed and submitted on behalf of that Existing Public Noteholder together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Account Holder Letter should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes and the Add Hero Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of an Account Holder Letter (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Explanatory Statements and the Solicitation Packet.



## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>11</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable), the Existing Public Noteholder must be an Eligible Person or the Existing Public Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Public Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Public Noteholder who is an Eligible Person is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Public Noteholder. An Existing Public Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Public \_\_\_\_\_  
Noteholder:

The Existing Public Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

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<sup>11</sup> It is not mandatory for an Existing Public Noteholder to have the Designated Recipient Form completed. An Existing Public Noteholder should only have it completed if such an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Public Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the  
Designated Recipient is an  
individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which was used when the Existing Public Notes were instructed since Aoyuan New Securities, Transfer Shares and Add Hero Notes can only be provided to accounts which provided instructions via the Custody Instruction Reference Number. A third party Euroclear or Clearstream account cannot be used.**

The **Existing Public Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to China Aoyuan, Add Hero, the Chairperson and the Information Agent that, in relation to the Existing Public Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Public Noteholder that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable) on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Public Noteholder and, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Public Notes Trustee that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Public Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Public Notes Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Public Notes Indentures are each governed by New York law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,
- but provided always that the Existing Public Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to China Aoyuan and Add Hero (as applicable) to execute certain documents on behalf of the Existing Public Noteholders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, in consideration of the rights provided to the Existing Public Noteholders under the China Aoyuan Schemes, the Add Hero Schemes, the Existing Public Noteholder and, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, China Aoyuan and Add Hero (as applicable) as its attorney and agent and irrevocably authorises, directs, instructs and empowers China Aoyuan and Add Hero (as applicable) (represented by any duly authorised representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes; and
- (b) irrevocably authorises, directs, instructs and empowers each Existing Public Notes Administrative Party, the Scheme Administrators, the Information Agent, each Aoyuan New Securities Administrative Party and each Add Hero Notes Administrative Party to, on behalf of that Existing Public Noteholder (including any person to whom an Existing Public Noteholder has transferred all or any part of its interest in and/or title to the Existing Public Notes or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes and the Add Hero Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes.

#### **4. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Account Holder on behalf of the Existing Public Noteholder irrevocably directs: (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

#### **5. Distribution of the New Shares**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Public Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Public Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

## **6. Distribution of the Cash Consideration**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Public Noteholder (or its Designated Recipient) by transferring the same to the cash account linked to the securities account in the Clearing Systems designated by the Existing Public Noteholder (or its Designated Recipient) in its validly completed Account Holder Letter or Designated Recipient Form (as applicable).

## **7. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Public Noteholder has appointed a Designated Recipient, the Existing Public Noteholder will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Public Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) it has submitted instructions to block its Existing Public Notes held with Euroclear or Clearstream, as applicable, and accordingly, from the date on which it delivers its Account Holder Letter it will not sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Public Notes until the earliest of the following circumstances: (i) the Restructuring Effective Date (at which time the Existing Public Notes will be cancelled); (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; and (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Public Notes which are the subject of the Account Holder Letter and its applicable account details to China Aoyuan, Add Hero, the Existing Public Notes Trustee and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (f) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Trustee, the Advisers, the Chairperson or the Information Agent with regard to the



tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;
- (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;
- (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
- (j) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the relevant scheme sanction hearings;
- (k) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Public Notes Trustee, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
- (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.

2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor

for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE**

**SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;

- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan

Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and the Add Hero Securities.

## Sanctions law confirmations and undertakings

2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Public Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is:
    - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United



Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));

- (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Public Noteholder expressly acknowledges and confirms that the Existing Public Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Public Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

(a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;

(b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and the Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and

(c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or

(d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Public Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.

The Existing Public Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Public Noteholder or on behalf of the Existing Public Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Public Noteholder; or (ii) act as Account Holder on behalf of the Existing Public Noteholder or Designated Recipient (please tick only one, as applicable):

☐ Existing Public Noteholder

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

## SCHEDULE 2

### ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)<sup>12</sup>

For use by Account Holders in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

This Account Holder Letter is **only** to be completed by Existing Private Noteholders (or by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder). If an Existing Private Noteholder is not an Account Holder, it must ensure that it submits its voting instructions, votes and elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Voting Instruction Deadline in order for the Existing Private Noteholder to vote at the Scheme Meetings. If you are not sure whether you are an Account Holder or an Existing Private Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Private Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Private Notes and/or the owner

<sup>12</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

of the ultimate economic interest in any of the Existing Private Notes who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Existing Private Noteholders must use this Account Holder Letter (by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Private Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Account Holder Letter is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being 30 September 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Private Noteholder to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes. Any Designated Recipient appointed by an Existing Private Noteholder must hold its account with the same Account Holder as that Existing Private Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### **Blocking Existing Private Notes**

Any Existing Private Noteholder that procures the submission of an Account Holder Letter by the Voting Instruction Deadline to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date must first block its Existing Private Notes by ensuring that its Account Holder, **prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>)**, submits a Custody Instruction prior to the Custody Instruction Deadline and includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number. An Account Holder Letter that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purpose of voting at the Scheme Meeting and/or receiving any Scheme Consideration Entitlement on the Restructuring Effective Date and the Company reserves the right to reject any such Account Holder Letter.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Private Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory**

**Statement before you complete the Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

This Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Private Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**FOR ASSISTANCE CONTACT**

**Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>



## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING NOTEHOLDER, HOLDER AND PRIVATE ACCOUNT HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Private Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Private Noteholder	
Section 2	Account Holder Details	
Section 3	Details of Holdings	
Section 4	Account Holder Confirmations	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Account Holder for and on behalf of the Existing Private Noteholder if the Existing Private Noteholder would like to vote on the China Aoyuan Schemes</i>
Section 1	Account Holder Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED FORM RECIPIENT</b>	<i>Only if the Existing Private Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Private Noteholder (if applicable)</i>  <i>For the avoidance of doubt, an Existing Private Noteholder does not have to complete a Designated Recipient Form in order to vote on the China Aoyuan Schemes</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the</i>

Annex A	General confirmations, acknowledgements, warranties and undertakings	<p><i>Account Holder for and on behalf of the Existing Private Noteholder in order for the Existing Private Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i></p> <p><i>For the avoidance of doubt, an Existing Private Noteholder does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes</i></p>
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments Form	

## PART 1

### EXISTING PRIVATE NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Account Holder Letter, an Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Private Noteholder will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Existing Private Noteholder**

Please identify the Existing Private Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Private Notes, held in global form and/or the restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Private Noteholders:**

Type of Existing Private Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Private Noteholder: \_\_\_\_\_

Is the Existing Private Noteholder an Eligible Person<sup>13</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Private Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Private Noteholder: \_\_\_\_\_

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<sup>13</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>14</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>14</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Private Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Private Noteholder. Account Holders are not Existing Private Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Private Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

### **Section 3      Details of Holdings**

The Account Holder holds the following Existing Private Notes to which this Account Holder Letter relates which have been "blocked" at the Record Date. Existing Private Notes must have been "blocked" through delivery of a Custody Instruction to the relevant Clearing System prior to the Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount blocked at Clearing System<sup>15</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>16</sup></b>	<b>Accession Code (if applicable)<sup>17</sup></b>
<b><i>Existing Private Notes</i></b>					
XS2190931365					
XS2372877469					
XS2265803283					
XS2282540025					

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<sup>15</sup> The amount entered should be the entire principal amount of Existing Private Notes in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Private Noteholder pursuant to this Account Holder Letter. If the Account Holder holds Existing Private Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>16</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Private Noteholder.

<sup>17</sup> The unique code provided by the Information Agent to an Existing Private Noteholder that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Private Noteholder in its Account Holder Letter in order to be eligible to receive the RSA Fees.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Private Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Private Noteholder: (i) holds the Existing Private Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; (ii) will ensure that such Existing Private Notes remain blocked in the relevant Clearing System until unblocked in accordance with the terms of the China Aoyuan Schemes or as otherwise agreed by the Company; and (iii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that the Company shall be entitled to treat such Existing Private Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the Scheme Consideration Entitlement in respect of such holding of Existing Private Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Private Noteholder voting or receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes on the Restructuring Effective Date:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Private Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Private Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder: \_\_\_\_\_

Date: \_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Private Noteholder intends to vote at the Scheme Meeting.**

#### **Section 1 Account Holder Voting Confirmations**

The Account Holder named in this Account Holder Letter for itself hereby confirms to the Company and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and every obligation of the Account Holder under this Account Holder Letter shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Account Holder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Account Holder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Account Holder and that all of the information in this Account Holder Letter is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Private Notes identified in Section 3 (*Details of Holdings*) of Part 1 (*Existing Private Noteholder, Account Holder and Holdings Details*) of this Account Holder Letter, the Account Holder has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for an Existing Private Noteholder to be eligible to vote (either in person or by proxy), an Account Holder must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Account Holder Letter to the Information Agent, the Account Holder confirms that the Existing Private Noteholder agrees that the Existing Private Noteholder shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Information Agent as at the date on which this Account Holder Letter is delivered to the Information Agent.

1. Each Existing Private Noteholder who submits, delivers or procures the delivery of an Account Holder Letter represents, warrants and undertakes to the Company and the Information Agent that:

- (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;

- (b) to the best of its knowledge, it is lawful to seek voting instructions from that Existing Private Noteholder in respect of the China Aoyuan Schemes;

- (c) it is assuming all of the risks inherent in that Existing Private Noteholder participating in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes for that Existing Private Noteholder;
- (d) the Existing Private Notes which are the subject of the Account Holder Letter are, at the time of delivery of such Account Holder Letter, held by it (directly or indirectly) or on its behalf at the relevant Clearing System;
- (e) it has not given voting instructions or submitted an Account Holder Letter with respect to the Existing Private Notes other than those that are the subject of this Account Holder Letter;
- (f) it authorises the Clearing Systems to provide details concerning its identity, the Existing Private Notes which are the subject of the Account Holder Letter and delivered on its behalf and its applicable account details to the Company, the Chairperson, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
- (g) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Private Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Private Noteholder as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Private Noteholder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Private Noteholder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Private Noteholder;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade



sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Private Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Existing Private Noteholder, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

2. Any Existing Private Noteholder that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Existing Private Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>18</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>18</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>19</sup>

The Existing Private Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>18</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Private Noteholder or its proxy thinks fit:<sup>18</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

**IMPORTANT NOTES:**

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<sup>18</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>19</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

1. Unless an Existing Private Noteholder is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Private Noteholder.
2. Any Existing Private Noteholder or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Account Holder Letter validly completed and submitted on behalf of that Existing Private Noteholder together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Account Holder Letter should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of an Account Holder Letter (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet.

## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>20</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable), the Existing Private Noteholder must be an Eligible Person or the Existing Private Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Private Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Private Noteholder, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Private Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Private Noteholder. An Existing Private Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Private Noteholder: \_\_\_\_\_

The Existing Private Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

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<sup>20</sup> It is not mandatory for an Existing Private Noteholder to have the Designated Recipient Form completed. An Existing Private Noteholder should only have it completed if such an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Private Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and  
China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise  
attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which  
was used when the Existing Private Notes were instructed since Aoyuan New Securities and  
Transfer Shares can only be provided to accounts which provided instructions via the  
Custody Instruction Reference Number. A third party Euroclear or Clearstream account  
cannot be used.**

The **Existing Private Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to the Company, the Chairperson and the Information Agent that, in relation to the Existing Private Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Private Noteholder that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable) on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Existing Private Noteholder and, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Private Notes Fiscal Agent that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Private Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Existing Private Notes Instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Private Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to the Company to execute certain documents on behalf of the Existing Private Noteholders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes, in consideration of the rights provided to the Existing Private Noteholders under the China Aoyuan Schemes, the Existing Private Noteholder and, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised



representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes; and

- (b) irrevocably authorises, directs, instructs and empowers each Existing Private Notes Administrative Party, the Scheme Administrators, the Information Agent, and each Aoyuan New Securities Administrative Party to, on behalf of that Existing Private Noteholder (including any person to whom an Existing Private Noteholder has transferred all or any part of its interest in and/or title to the Existing Private Notes or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes.

#### **4. Distribution of the Aoyuan New Securities and Transfer Shares**

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Account Holder on behalf of the Existing Private Noteholder irrevocably directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

#### **5. Distribution of the New Shares**

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Private Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Existing Private Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Private Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Private

Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Private Noteholder has appointed a Designated Recipient, the Existing Private Noteholder will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Existing Private Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) it has submitted instructions to block its Existing Private Notes held with Euroclear or Clearstream, as applicable, and accordingly from the date on which it delivers its Account Holder Letter it will not sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Private Notes until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; and (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clause 13.1 and/or 13.2 therein;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Private Notes which are the subject of the Account Holder Letter and its applicable account details to the Company, the Existing Private Notes Fiscal Agent and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (f) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Private Notes Fiscal Agent, the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private

Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;
  - (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (j) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (k) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Private Notes Fiscal Agent, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;

- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;



- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Private Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such

funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Private Noteholder expressly acknowledges and confirms that the Existing Private Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Private Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Private Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Existing Private Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Private Noteholder or on behalf of the Existing Private Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Private Noteholder; or (ii) act as Account Holder on behalf of the Existing Private Noteholder or Designated Recipient (please tick only one, as applicable):

☐ Existing Private Noteholder

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

### SCHEDULE 3

#### LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND USD100M NOBLE PRESTIGE FACILITY)<sup>21</sup>

For use by Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders in respect of

The facility agreement in respect of the HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Company Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time

The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

The facility agreement in respect of the HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

(together the "**Existing Syndicated Facilities**")

The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time

(the "**USD100m Noble Prestige Facility**")

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the Company's schemes of arrangement under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required

<sup>21</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Lender Proxy Forms submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

instruction to or through a Clearing System). For the purposes of this Lender Proxy Form, references to "**Scheme Creditors**" shall mean (i) the Scheme Creditors or a lender of record under any of the Existing Syndicated Facilities and/or any Person who has a beneficial interest as principal under any of the Existing Syndicated Facilities (the "**Existing Syndicated Facilities Lenders**"), and/or (ii) the Scheme Creditors or a lender of record under any of the USD100m Noble Prestige Facility and/or any Person who has a beneficial interest as principal under any of the USD100m Noble Prestige Facility (the "**USD100m Noble Prestige Lenders**"), who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders must use this Lender Proxy Form to: (a) register details of their interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Lender Proxy Form is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 5 a.m. BVI time on 15 November 2023 and 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 5 a.m. BVI time on 20 November 2023 and 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 9 p.m. Hong Kong time on 28 November 2023, the equivalent time being 9 a.m. BVI time on 28 November 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme.



- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes and/or the Add Hero Schemes.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes; and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

#### **Online Lender Proxy Form**

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.

A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim (in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete this Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and signed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i>
Section 1	Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<p><i>If the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i></p> <p><i>For the avoidance of doubt, an Existing Syndicated Facilities</i></p>

		<i>Lender and/or USD100m Noble Prestige Lender does not have to complete a Designated Recipient Form in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	
Annex A	General confirmations, acknowledgements, warranties and undertakings	<i>This Appendix 2 must be completed in all cases by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order for the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments and Add Hero Securities Form	<i>For the avoidance of doubt, an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>

## PART 1

### EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Lender Proxy Form, a Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms. For the avoidance of any doubt, an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender does not have to complete Appendix 1 (if applicable) or Appendix 2 in order to vote on the China Aoyuan Schemes and the Add Hero Schemes. However, Appendix 1 (if applicable) and Appendix 2 must be completed on or before the Voting Instruction Deadline in order for the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or their Designated Recipient, if applicable) to receive the relevant Scheme Consideration Entitlements and the RSA Fees (if applicable) on the Restructuring Effective Date.

#### **Section 1** Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender

Please identify the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders:**

Type of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (select one):  
PHYSICAL PERSON / ORGANISATION

Full name of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender: \_\_\_\_\_

Is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender an Eligible Person<sup>22</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

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<sup>22</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is an institution/corporation:**

Jurisdiction of incorporation of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender: \_\_\_\_\_

**To be completed by all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the Add Hero Notes Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable) on the Restructuring Effective Date (For the avoidance of doubt, all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Cash Consideration Entitlement and the RSA Fees (Cash Component) (if applicable) on the Restructuring Effective Date (For the avoidance of doubt, all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

**All Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the New Shares Entitlement, the Add Hero Notes Entitlement, the Cash Consideration Entitlement and the RSA Fees (if applicable) have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**

## Section 2 Details of Holdings

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender holds the following Existing Loans Debt in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility to which this Lender Proxy Form relates as at the Record Date:

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>23</sup>
<b>Existing Syndicated Facilities</b>						
ESF19HKD1131 For HKD	The HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019,					

<sup>23</sup> The unique code provided by the Information Agent to an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in its Lender Proxy Form in order to be eligible to receive the RSA Fees.

\* Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.



Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>23</sup>
ESF19USD2000 For USD	entered into between, among others, China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time					
ESF20HKD1055 For HKD	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or					
ESF20USD9500 For USD						

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>23</sup>
	supplemented from time to time					
ESF21HKD1598 For HKD	The HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time					
ESF21USD2000 For USD						
USD100m Noble Prestige Facility						

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>23</sup>
EBF20USD1000	The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time					

**SIGNING:**

Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender's authorised employee /  
representative name:

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Executed by authorised employee /  
representative for and on behalf of  
Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender:

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Date:

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## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender intends to vote at the Scheme Meeting.**

#### **Section 1 Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender Voting Confirmations**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender named in this Lender Proxy Form for itself hereby confirms to China Aoyuan, Add Hero and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Lender Proxy Form and every obligation of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender under this Lender Proxy Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and that all of the information in this Lender Proxy Form is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility identified in Section 2 (*Details of Holdings*) of Part 1 (*Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender and Holdings Details*) of this Lender Proxy Form, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to be eligible to vote (either in person or by proxy), an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Lender Proxy Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender confirms that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender agrees that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Information Agent as at the date on which this Lender Proxy Form is delivered to the Information Agent.

1. Each Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender who submits, delivers or procures the delivery of a Lender Proxy Form represents, warrants and undertakes to China Aoyuan, Add Hero and the Information Agent that:
- (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) it is assuming all of the risks arising from its participation in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (c) it has a beneficial interest as principal in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, which are the subject of the Lender Proxy Form at the time of delivery of such Lender Proxy Form;
  - (d) it has not given voting instructions or submitted a Lender Proxy Form with respect to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility other than those that are the subject of this Lender Proxy Form;
  - (e) from the time it submits this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (x) China Aoyuan and Add Hero (as applicable), at its sole discretion, consents to such Transfer of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility;
  - (f) it authorises the Existing Loans Administrative Parties (as applicable) to provide details concerning its identity, the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility which are the subject of the Lender Proxy Form to China Aoyuan, Add Hero, the Chairperson, the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (g) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Syndicated Facilities

Lender and/or USD100m Noble Prestige Lender as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;

- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (j) the supporting evidence provided with such Lender Proxy Form is accurate and true in all respects;
- (k) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Existing

Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (l) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.



**Section 2 Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

Please read notes in the "IMPORTANT NOTES" section below before selecting.

**In respect of the China Aoyuan Schemes:**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>24</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>24</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>25</sup>

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>24</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit:<sup>24</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

<sup>24</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>25</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**In respect of the Add Hero Schemes:**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>26</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>26</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>27</sup>

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above.<sup>26</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit:<sup>26</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>26</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>27</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.
2. Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Lender Proxy Form validly completed and submitted on behalf of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Lender Proxy Form should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes and the Add Hero Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of a Lender Proxy Form (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Explanatory Statements and the Solicitation Packet.

**APPENDIX 1 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DESIGNATED RECIPIENT FORM (if applicable)<sup>28</sup>**

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable), the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must be an Eligible Person or the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender may not appoint more than one Designated Recipient.**

Full name of Existing Syndicated \_\_\_\_\_  
Facilities Lender and/or USD100m  
Noble Prestige Lender:

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<sup>28</sup> It is not mandatory for an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender to have the Designated Recipient Form completed. An Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender should only have it completed if such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender: (i) is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event.

**Details of Designated Recipient**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**To be completed by the Designated Recipient of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the Add Hero Notes Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable):**

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by the Designated Recipient of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order to receive the Cash Consideration Entitlement and the RSA Fees (Cash Component) (if applicable):**

**Details of Designated Recipient's Bank Account**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

The **Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender** named below for itself hereby confirms to China Aoyuan, Add Hero, the Chairperson and the Information Agent that, in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the Lender Proxy Form, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Existing Syndicated Facilities  
Lender's and/or USD100m Noble  
Prestige Lender's authorised  
employee/representative name:

\_\_\_\_\_

Executed by authorised  
employee/representative for and on  
behalf of the Existing Syndicated  
Facilities Lender and/or USD100m  
Noble Prestige Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

**APPENDIX 2 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DISTRIBUTION CONFIRMATION DEED**

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable) on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or each of their Designated Recipients in the affirmative and submitted by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or each of their Designated Recipients, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

**Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

**1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.



## 2. Confirmations, warranties and undertakings

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Syndicated Facilities Guarantors and USD100m Noble Prestige Facility Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Syndicated Facilities and the USD100m Noble Prestige Facility are each governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

**3. Grant of authority to China Aoyuan and Add Hero (as applicable) to execute certain documents on behalf of the Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders**

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, in consideration of the rights provided to the Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders under the China Aoyuan Schemes, the Add Hero Schemes, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, China Aoyuan and Add Hero (as applicable) as its attorney and agent and irrevocably authorises, directs, instructs and empowers China Aoyuan and Add Hero (as applicable) (represented by any duly authorised representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes; and
- (b) irrevocably authorises, directs, instructs and empowers each Existing Loans Administrative Party (as applicable), the Scheme Administrators, the Information Agent, each Aoyuan New Securities Administrative Party and each Add Hero Notes Administrative Party to, on behalf of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes and the Add Hero Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes.

**4. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably directs: (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

**5. Distribution of the New Shares**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige

Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.

- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in scrip form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

## **6. Distribution of the Cash Consideration**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) by transferring the same to the cash account designated by Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in its validly completed Lender Proxy Form or Designated Recipient Form (as applicable).

## **7. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of, or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## Annex A to the Distribution Confirmation Deed

### General confirmations, acknowledgements, warranties and undertakings

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) from the time it has submitted this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (x) China Aoyuan and Add Hero (as applicable), at its sole discretion, consents to such Transfer of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility which are the subject of the Lender Proxy Form and its applicable account details to China Aoyuan, Add Hero, the Existing Loans Administrative Parties (as applicable) and

the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;

- (f) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;
- (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;
- (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
- (j) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the Scheme Sanction Hearings;
- (k) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the

Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and

- (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S.

Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE**



**EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;

- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan

Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and Add Hero Securities.

## Sanctions law confirmations and undertakings

2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any agent, employee or Affiliate

or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is:

- (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender expressly acknowledges and confirms that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

We: (i) are an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender; or (ii) the Designated Recipient of an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (please tick only one, as applicable):

- ☐ Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender
- ☐ Designated Recipient

Existing Syndicated Facilities  
Lender's and/or USD100m Noble  
Prestige Lender's / Designated  
Recipient's authorised  
employee/representative name:

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Executed by authorised  
employee/representative for and on  
behalf of the Existing Syndicated  
Facilities Lender and/or USD100m  
Noble Prestige Lender / Designated  
Recipient:

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## SCHEDULE 4

### LENDER PROXY FORM (OTHER NON-ICA DEBT)<sup>29</sup>

For use by Other Non-ICA Debt Lenders in respect of

**Existing Bilateral Facilities (SBLC)**

**Existing Other Offshore Financings**

**Existing Onshore Facilities**

**Existing Private Loans**

(together the "**Other Non-ICA Debt**")

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**")

(together, the "**China Aoyuan Schemes**")

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Lender Proxy Form, references to "**Scheme Creditors**" or "**Other Non-ICA Debt Lenders**" shall mean the Scheme Creditors or a lender of record under any of the Other Non-ICA Debt and/or any Person who has a beneficial interest as principal under any of the Other Non-ICA Debt, who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Other Non-ICA Debt Lenders must use this Lender Proxy Form to: (a) register details of their interest in the Other Non-ICA Debt; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Lender Proxy Form is set out below.

<sup>29</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Lender Proxy Forms submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

## Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being 30 September 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Other Non-ICA Debt Lender to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Other Non-ICA Debt Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of

the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### **Online Lender Proxy Form**

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.

A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Other Non-ICA Debt.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

This Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

### **FOR ASSISTANCE CONTACT**

#### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>  
Scheme Portal (for form discussion): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Other Non-ICA Debt Lender and signed by the Other Non-ICA Debt Lender</i>
Section 1	Details of the Other Non-ICA Debt Lender	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Other Non-ICA Debt Lender if the Other Non-ICA Debt Lender would like to vote on the China Aoyuan Schemes</i>
Section 1	Other Non-ICA Debt Lender Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<p><i>If the Other Non-ICA Debt Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Other Non-ICA Debt Lender</i></p> <p><i>For the avoidance of doubt, an Other Non-ICA Debt Lender does not have to complete a Designated Recipient Form in order to vote on the China Aoyuan Schemes</i></p>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<p><i>This Appendix 2 must be completed in all cases by the Other Non-ICA Debt Lender in order for the Other Non-ICA Debt Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i></p> <p><i>For the avoidance of doubt, an Other Non-ICA Debt Lender</i></p>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	

Annex C	Aoyuan Instruments Form	<i>does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes</i>
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## PART 1

### OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Lender Proxy Form, a Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Other Non-ICA Debt Lender will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms. For the avoidance of any doubt, an Other Non-ICA Debt Lender does not have to complete Appendix 1 (if applicable) or Appendix 2 in order to vote on the China Aoyuan Schemes. However, Appendix 1 (if applicable) and Appendix 2 must be completed on or before the Voting Instruction Deadline in order for the Other Non-ICA Debt Lender (or their Designated Recipient, if applicable) to receive the relevant Scheme Consideration Entitlements and the RSA Fees (if applicable) on the Restructuring Effective Date.

#### **Section 1**      Details of the Other Non-ICA Debt Lender

Please identify the Other Non-ICA Debt Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Other Non-ICA Debt, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Other Non-ICA Debt Lenders:**

Type of Other Non-ICA Debt Lender (select one): PHYSICAL PERSON / ORGANISATION

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

Is the Other Non-ICA Debt Lender an Eligible Person<sup>30</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Other Non-ICA Debt Lender is an institution/corporation:**

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<sup>30</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

Jurisdiction of incorporation of Other  
Non-ICA Debt Lender:

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**To be completed by all Other Non-ICA Debt Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable) on the Restructuring Effective Date (For the avoidance of doubt, all Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by all Other Non-ICA Debt Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the RSA Fees (Cash Component) (if applicable) on the Restructuring Effective Date (For the avoidance of doubt, all Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

**All Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the New Shares Entitlement and the RSA Fees (if applicable) have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**



## Section 2 Details of Holdings

The Other Non-ICA Debt Lender holds the following Other Non-ICA Debt to which this Lender Proxy Form relates as at the Record Date:

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
<b>Existing Bilateral Facilities (SBLC)</b>						
EBF20HKD3290	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as lender					

<sup>31</sup> The unique code provided by the Information Agent to an Other Non-ICA Debt Lender that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Other Non-ICA Debt Lender in its Lender Proxy Form in order to be eligible to receive the RSA Fees.

\* **Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.**

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
EBF21HKD7400	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between China Aoyuan Group Company Limited as borrower and The Bank of East Asia, Limited as lender					
EBF21USD7000	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between China Aoyuan Group Limited as borrower and CMB Wing Lung Bank Limited as lender					
EBF21HKD3670	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021,					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender					
<b>Existing Other Offshore Financings</b>						
EBF21HKD1170	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between China Aoyuan Group Company Limited as borrower and China CITIC Bank International Limited as lender					
EBF21HKD3000	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and Nanyang					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	Commercial Bank, Limited as lender					
EBF21HKD5000	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between China Aoyuan Group Limited as borrower and Chiyu Banking Corporation Limited as lender					
EBF21USD2000	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, China Aoyuan Group Limited as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
EUF21USD1000	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder					
ESF20USD2000	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					
<b>Existing Onshore Facilities</b>						

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
ADI01RMB1730	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion					
ADI02RMB4218	Fixed assets loan between 成都市奥誉置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million					
ADI03RMB2395	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB80 million					
ADI04RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB240 million					
ADI05RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB80 million					
ADI06RMB3580	M&A loan between 奥园集团 (广东) 有限公司 (Borrower) and 中国工商银行股份有限公司 广州荔湾支行 (Lender) amounting to RMB600 million					
ADI07RMB3422	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI08RMB9702	Loan between 金汉 (天津) 房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
ADI09RMB4302	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI10RMB1457	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI11RMB2700	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI12RMB1872	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	(now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI13RMB1749	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
ADI14RMB1627	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI15RMB4470	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and subsequently transferred to 中国信达资产管理股份有限公司)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI16RMB2261	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI17RMB1149	Loan between 天津凯华奎恩房地产开发有限公司					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	(Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI18RMB1376	Loan between 重庆中翡岛置业有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
<b>Existing Private Loans</b>						
ESF20HKD6760	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as borrower, China Aoyuan Group Limited as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time					
ESF21HKD7800	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time					
ESF22HKD7800	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, China Aoyuan Group Limited as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility					



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
ESF20USD1200	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					
ESF21USD1500	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>31</sup>
	facility agent, as amended or supplemented from time to time					

**SIGNING:**

Other Non-ICA Debt Lender's  
authorised employee /  
representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Other Non-ICA Debt Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Other Non-ICA Debt Lender intends to vote at the Scheme Meeting.**

#### **Section 1 Other Non-ICA Debt Lender Voting Confirmations**

The Other Non-ICA Debt Lender named in this Lender Proxy Form for itself hereby confirms to the Company and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Lender Proxy Form and every obligation of the Other Non-ICA Debt Lender under this Lender Proxy Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Other Non-ICA Debt Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Other Non-ICA Debt Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Other Non-ICA Debt Lender and that all of the information in this Lender Proxy Form is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Other Non-ICA Debt identified in Section 2 (*Details of Holdings*) of Part 1 (*Other Non-ICA Debt Lender and Holdings Details*) of this Lender Proxy Form, the Other Non-ICA Debt Lender has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for an Other Non-ICA Debt Lender to be eligible to vote (either in person or by proxy), an Other Non-ICA Debt Lender must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Lender Proxy Form to the Information Agent, the Other Non-ICA Debt Lender confirms that the Other Non-ICA Debt Lender agrees that the Other Non-ICA Debt Lender shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Information Agent as at the date on which this Lender Proxy Form is delivered to the Information Agent.

1. Each Other Non-ICA Debt Lender who submits, delivers or procures the delivery of a Lender Proxy Form represents, warrants and undertakes to the Company and the Information Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;

- (b) it is assuming all of the risks arising from its participation in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
- (c) it has a beneficial interest as principal in the Other Non-ICA Debt, which are the subject of the Lender Proxy Form at the time of delivery of such Lender Proxy Form;
- (d) it has not given voting instructions or submitted a Lender Proxy Form with respect to Other Non-ICA Debt other than those that are the subject of this Lender Proxy Form;
- (e) from the time it submits this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Other Non-ICA Debt (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and 13.2 therein; or (vii) the Company, at its sole discretion, consents to such Transfer of the Other Non-ICA Debt.
- (f) it authorises the Existing Loans Administrative Parties (as applicable) to provide details concerning its identity, the Other Non-ICA Debt which are the subject of the Lender Proxy Form to the Company, the Chairperson, the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
- (g) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Other Non-ICA Debt Lender as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Other Non-ICA Debt Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Other Non-ICA Debt Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Other Non-ICA Debt Lender;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise)

against the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (j) the supporting evidence provided with such Lender Proxy Form is accurate and true in all respects;
- (k) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Other Non-ICA Debt Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Other Non-ICA Debt Lender, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
- (l) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

2. Any Other Non-ICA Debt Lender that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Other Non-ICA Debt Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>32</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>32</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>33</sup>

The Other Non-ICA Debt Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above.<sup>32</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Other Non-ICA Debt Lender or its proxy thinks fit.<sup>32</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>32</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>33</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Other Non-ICA Debt Lender is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Other Non-ICA Debt Lender.
2. Any Other Non-ICA Debt Lender or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Lender Proxy Form validly completed and submitted on behalf of that Other Non-ICA Debt Lender together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Lender Proxy Form should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of a Lender Proxy Form (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet.



## APPENDIX 1 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>34</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable), the Other Non-ICA Debt Lender must be an Eligible Person or the Other Non-ICA Debt Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Other Non-ICA Debt Lender.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Other Non-ICA Debt Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Other Non-ICA Debt Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Other Non-ICA Debt Lender may not appoint more than one Designated Recipient.**

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

#### Details of Designated Recipient

The Other Non-ICA Debt Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient (select one): PHYSICAL PERSON / ORGANISATION

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

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<sup>34</sup> It is not mandatory for an Other Non-ICA Debt Lender to have the Designated Recipient Form completed. An Other Non-ICA Debt Lender should only have it completed if such an Other Non-ICA Debt Lender: (i) is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Other Non-ICA Debt Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event.

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**To be completed by the Designated Recipient of the Other Non-ICA Debt Lender in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable):**

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by the Designated Recipient of the Other Non-ICA Debt Lender in order to receive the RSA Fees (Cash Component) (if applicable):**

**Details of Designated Recipient's Bank Account**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

The **Other Non-ICA Debt Lender** named below for itself hereby confirms to the Company, the Chairperson and the Information Agent that, in relation to the Other Non-ICA Debt that is the subject of the Lender Proxy Form, the Other Non-ICA Debt Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Other Non-ICA Debt Lender's  
authorised employee/representative name: \_\_\_\_\_

Executed by authorised  
employee/representative for and on  
behalf of the Other Non-ICA Debt Lender: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 2 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### DISTRIBUTION CONFIRMATION DEED

Any Other Non-ICA Debt Lender that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable) on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed by the Other Non-ICA Debt Lender or its Designated Recipient in the affirmative and submitted by the Other Non-ICA Debt Lender or its Designated Recipient, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and its Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Other Non-ICA Debt Lender and, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Other Non-ICA Debt, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Other Non-ICA Debt instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Other Non-ICA Debt Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to the Company to execute certain documents on behalf of the Other Non-ICA Debt Lenders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes, in consideration of the rights provided to the Other Non-ICA Debt Lenders under the China Aoyuan Schemes, the Other Non-ICA Debt Lender and, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised

representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes; and

- (b) irrevocably authorises, directs, instructs and empowers each Existing Loans Administrative Party (as applicable), the Scheme Administrators, the Information Agent, and each Aoyuan New Securities Administrative Party to, on behalf of that Other Non-ICA Debt Lender, undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes.

#### **4. Distribution of the Aoyuan New Securities and Transfer Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Other Non-ICA Debt Lender irrevocably directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

#### **5. Distribution of the New Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Other Non-ICA Debt Lender (or its Designated Recipient) in scrip form. An Other Non-ICA Debt Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## Annex A to the Distribution Confirmation Deed

### General confirmations, acknowledgements, warranties and undertakings

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Other Non-ICA Debt Lender will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Other Non-ICA Debt Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) from the time it has submitted this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Other Non-ICA Debt (which is the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (vii) the Company, at its sole discretion, consents to such Transfer of the Other Non-ICA Debt;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Other Non-ICA Debt which is the subject of the Lender Proxy Form and its applicable account details to the Company, the Existing Loans Administrative Parties (as applicable) and the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (f) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or



otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;
  - (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (j) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (k) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;

- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;

- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Other Non-ICA Debt Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such

funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.



## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Other Non-ICA Debt Lender expressly acknowledges and confirms that the Other Non-ICA Debt Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Other Non-ICA Debt Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore jurisdiction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Other Non-ICA Debt Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Other Non-ICA Debt Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

We: (i) are an Other Non-ICA Debt Lender; or (ii) the Designated Recipient of an Other Non-ICA Debt Lender (please tick only one, as applicable):

☐ Other Non-ICA Debt Lender

☐ Designated Recipient

Other Non-ICA Debt Lender's /  
Designated Recipient's authorised  
employee/representative name:

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Executed by authorised  
employee/representative for and on  
behalf of the Other Non-ICA Debt  
Lender / Designated Recipient:

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## SCHEDULE 5

### BLOCKED SCHEME CREDITOR FORM (EXISTING PUBLIC NOTES)<sup>35</sup>

For use by Blocked Scheme Creditors in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>35</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.

**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Blocked Scheme Creditors must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Public Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to be allocated their Scheme Consideration Entitlement on the Restructuring Effective Date, in accordance with the terms of the Escrow Agreement. A summary of this Blocked Scheme Creditor Form is set out below.

## **Background**

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.
2. Blocked Scheme Creditors will accordingly not be able to submit Custody Instructions via the Clearing Systems and the Information Agent will not be able to collect information, including voting instructions, from Blocked Scheme Creditors or the Clearing Systems.

3. As a result, Blocked Scheme Creditors will not be able to vote on the China Aoyuan Schemes or the Add Hero Schemes through the Clearing Systems.
4. However, Blocked Scheme Creditors are invited to vote for, or against, the China Aoyuan Schemes and the Add Hero Schemes by completing this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding. In addition, in order to be allocated the RSA Fees, Blocked Scheme Creditors must include their Accession Code when completing this Blocked Scheme Creditor Form (to the extent that the Blocked Scheme Creditor is a Blocked Scheme Creditor (Participating)) and vote in favour of the China Aoyuan Schemes and the Add Hero Schemes.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 5 a.m. BVI time on 15 November 2023 and 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 5 a.m. BVI time on 20 November 2023 and 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 9 p.m. Hong Kong time on 28 November 2023, the equivalent time being 9 a.m. BVI time on 28 November 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs for registration in respect of the Add Hero BVI Scheme; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been delivered to the Hong Kong Registrar of Companies in respect of the Add Hero HK Scheme.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.

- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Voting Instruction Deadline in order for a Blocked Scheme Creditor to vote at the Scheme Meeting and be eligible for its: (i) Blocked Aoyuan New Securities Entitlement; (ii) Blocked Transfer Shares Entitlement; (iii) Blocked Add Hero Notes Entitlement to be transferred to the Escrow Agent on the Restructuring Effective Date to hold on escrow in accordance with the terms of the Escrow Agreement; (iv) Blocked New Shares Entitlement; and (v) Blocked Cash Consideration Entitlement to be allocated to it on the Restructuring Effective Date in accordance with the China Aoyuan Schemes and the Add Hero Schemes.

Each Unadmitted Scheme Creditor who is a Blocked Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes, and (iii) the Blocked Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, the Blocked New Shares Entitlement or to the Blocked Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or the Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

China Aoyuan or Add Hero (as applicable) shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement and Blocked Add Hero Notes Entitlement in accordance with the terms of the Escrow Agreement; (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing; and (iii) pay the Blocked Cash Consideration Entitlement to the Blocked Scheme Creditor by transferring the same to the cash account linked to the securities account specified in the Blocked

Scheme Creditor Form, in the event the Escrow Period expires due to the lifting of the Applicable Sanctions in respect of all Blocked Scheme Creditors.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by China Aoyuan, Add Hero or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent China Aoyuan or Add Hero (as applicable) is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

With respect to the Blocked Scheme Creditors under the China Aoyuan Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Blocked Scheme Creditors under the Add Hero Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Transaction Website: <https://projects.morrowsodali.com/aoyuan>



## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed if the Blocked Scheme Creditor would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Blocked Scheme Creditor Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

Irrespective of any elections made under any other part of this Blocked Scheme Creditor Form, a Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to cast a vote at the Scheme Meeting or receive or otherwise be allocated any Blocked Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>36</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>36</sup> "Eligible Person" means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline.

## **Section 2      Details of Holdings**

Aggregate principal amount of Existing Public Notes held as at the Record Date:

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Description of sufficient evidence of holding (which must be submitted with this completed form):

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Accession Code (if applicable)<sup>37</sup>:

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### **SIGNING:**

Blocked Scheme Creditor's authorised employee / representative name:

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Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

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Date:

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<sup>37</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive the RSA Fees. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if a Blocked Scheme Creditor intends to vote at the Scheme Meeting.**

#### **Section 1**      **Blocked Scheme Creditor Voting Confirmations**

The Account Holder<sup>38</sup> named below for itself hereby confirms to China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Blocked Scheme Creditor Form and every obligation of the Blocked Scheme Creditor under this Blocked Scheme Creditor Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Blocked Scheme Creditor and that all of the information in this Blocked Scheme Creditor Form is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Existing Public Notes identified in Section 2 (*Details of Holdings*) of Part 1 (*Blocked Scheme Creditor and Holdings Details*) of this Blocked Scheme Creditor Form, the Blocked Scheme Creditor has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for a Blocked Scheme Creditor to be eligible to vote (either in person or by proxy), a Blocked Scheme Creditor must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor confirms that the Blocked Scheme Creditor agrees that the Blocked Scheme Creditor shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent as at the date on which this Blocked Scheme Creditor Form is delivered to the Blocked Scheme Creditor Tabulation Agent.

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<sup>38</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Public Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Public Noteholder. Account Holders are not Existing Public Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Public Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent that:
  - (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) to the best of its knowledge, it is lawful to seek voting instructions from that Blocked Scheme Creditor in respect of the China Aoyuan Schemes and the Add Hero Schemes;
  - (c) it is assuming all of the risks inherent in that Blocked Scheme Creditor participating in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes for that Blocked Scheme Creditor;
  - (d) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctioned Scheme Creditor;
  - (e) it has not given voting instructions or submitted a Blocked Scheme Creditor Form with respect to the Existing Public Notes other than those that are the subject of this Blocked Scheme Creditor Form;
  - (f) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Public Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Blocked Scheme Creditor as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
  - (g) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (h) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation

Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (i) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Section 2 Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

Please read notes in the "IMPORTANT NOTES" section below before selecting.

**In respect of the China Aoyuan Schemes:**

The Blocked Scheme Creditor wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>39</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>39</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>40</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above.<sup>39</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit:<sup>39</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>39</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>40</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**In respect of the Add Hero Schemes:**

The Blocked Scheme Creditor wishes to follow (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>41</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>41</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>42</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above.<sup>41</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit.<sup>41</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>41</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>42</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.



**IMPORTANT NOTES:**

1. Unless a Blocked Scheme Creditor admitted by the Blocked Scheme Creditor Tabulation Agent is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Blocked Scheme Creditor.
2. Any Blocked Scheme Creditor or its proxy admitted by the Blocked Scheme Creditor Tabulation Agent to attend the Scheme Meeting in person must produce a duplicate copy of the Blocked Scheme Creditor Form validly completed and submitted on behalf of that Blocked Scheme Creditor together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Blocked Scheme Creditor Form should be completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline.

**Please note if the China Aoyuan Schemes and the Add Hero Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

## SCHEDULE 6

### BLOCKED SCHEME CREDITOR FORM (EXISTING PRIVATE NOTES)<sup>43</sup>

For use by Blocked Scheme Creditors in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Blocked Scheme Creditors must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Private Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to be allocated their Scheme Consideration Entitlement on the Restructuring Effective Date, in accordance with the terms of the Escrow Agreement. A summary of this Blocked Scheme Creditor Form is set out below.

#### Background

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

<sup>43</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.

2. Blocked Scheme Creditors will accordingly not be able to submit Custody Instructions via the Clearing Systems and the Information Agent will not be able to collect information, including voting instructions, from Blocked Scheme Creditors or the Clearing Systems.
3. As a result, Blocked Scheme Creditors will not be able to vote on the China Aoyuan Schemes through the Clearing Systems.
4. However, Blocked Scheme Creditors are invited to vote for, or against, the China Aoyuan Schemes by completing this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding. In addition, in order to be allocated the RSA Fees, Blocked Scheme Creditors must include their Accession Code when completing this Blocked Scheme Creditor Form (to the extent that the Blocked Scheme Creditor is a Blocked Scheme Creditor (Participating)) and vote in favour of the China Aoyuan Schemes.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being 30 September 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on 15 November 2023, the equivalent being 4 a.m. Cayman Islands time on 15 November 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on 20 November 2023, the equivalent being 4 a.m. Cayman Islands time on 20 November 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Scheme Meeting:** to be held at 8 p.m. Hong Kong time on 28 November 2023, the equivalent time being 7 a.m. Cayman Islands time on 28 November 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the Cayman Registrar of Companies for registration in respect of the China Aoyuan Cayman Scheme; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been registered with the Hong Kong Registrar of Companies in respect of the China Aoyuan HK Scheme.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Voting Instruction Deadline in order for a Blocked Scheme Creditor to vote at the Scheme Meeting and be eligible for its (i) Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement to be transferred to the Escrow Agent on the Restructuring Effective Date to hold on escrow in accordance with the terms of the Escrow Agreement and (ii) Blocked New Shares Entitlement to be allocated to it on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes.

Each Unadmitted Scheme Creditor who is a Blocked Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the Blocked New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

The Company shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and the Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent that the Company is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

This Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

**Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Transaction Website: <https://projects.morrowsodali.com/aoyuan>

## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed if the Blocked Scheme Creditor would like to vote on the China Aoyuan Schemes</i>
Section 1	Blocked Scheme Creditor Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

Irrespective of any elections made under any other part of this Blocked Scheme Creditor Form, a Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to cast a vote at the Scheme Meeting or receive or otherwise be allocated any Blocked Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>44</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>44</sup> "Eligible Person" means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline.

## **Section 2**      **Details of Holdings**

Aggregate principal amount of Existing Private Notes held as at the Record Date:

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Description of sufficient evidence of holding (which must be submitted with this completed form):

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Accession Code (if applicable)<sup>45</sup>:

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### **SIGNING:**

Blocked Scheme Creditor's authorised employee / representative name:

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Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

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Date:

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<sup>45</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive the RSA Fees. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.



## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if a Blocked Scheme Creditor intends to vote at the Scheme Meeting.**

#### **Section 1      Blocked Scheme Creditor Voting Confirmations**

The Account Holder<sup>46</sup> named below for itself hereby confirms to the Company and the Blocked Scheme Creditor Tabulation Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Blocked Scheme Creditor Form and every obligation of the Blocked Scheme Creditor under this Blocked Scheme Creditor Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Blocked Scheme Creditor and that all of the information in this Blocked Scheme Creditor Form is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Private Notes identified in Section 2 (*Details of Holdings*) of Part 1 (*Blocked Scheme Creditor and Holdings Details*) of this Blocked Scheme Creditor Form, the Blocked Scheme Creditor has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for a Blocked Scheme Creditor to be eligible to vote (either in person or by proxy), a Blocked Scheme Creditor must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor confirms that the Blocked Scheme Creditor agrees that the Blocked Scheme Creditor shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Blocked Scheme Creditor Tabulation Agent as at the date on which this Blocked Scheme Creditor Form is delivered to the Blocked Scheme Creditor Tabulation Agent.

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<sup>46</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Private Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Private Noteholder. Account Holders are not Existing Private Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Private Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to the Company and the Blocked Scheme Creditor Tabulation Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) to the best of its knowledge, it is lawful to seek voting instructions from that Blocked Scheme Creditor in respect of the China Aoyuan Schemes;
  - (c) it is assuming all of the risks inherent in that Blocked Scheme Creditor participating in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes for that Blocked Scheme Creditor;
  - (d) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctioned Scheme Creditor;
  - (e) it has not given voting instructions or submitted a Blocked Scheme Creditor Form with respect to the Existing Private Notes other than those that are the subject of this Blocked Scheme Creditor Form;
  - (f) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Private Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Blocked Scheme Creditor as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
  - (g) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (h) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (i) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Blocked Scheme Creditor wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>47</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>47</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote **AT THEIR DISCRETION** on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation.<sup>48</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;<sup>47</sup>
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on the China Aoyuan Schemes at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit:<sup>47</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>47</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>48</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless a Blocked Scheme Creditor admitted by the Blocked Scheme Creditor Tabulation Agent is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Blocked Scheme Creditor.
2. Any Blocked Scheme Creditor or its proxy admitted by the Blocked Scheme Creditor Tabulation Agent to attend the Scheme Meeting in person must produce a duplicate copy of the Blocked Scheme Creditor Form validly completed and submitted on behalf of that Blocked Scheme Creditor together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Blocked Scheme Creditor Form should be completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline.

**Please note if the China Aoyuan Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

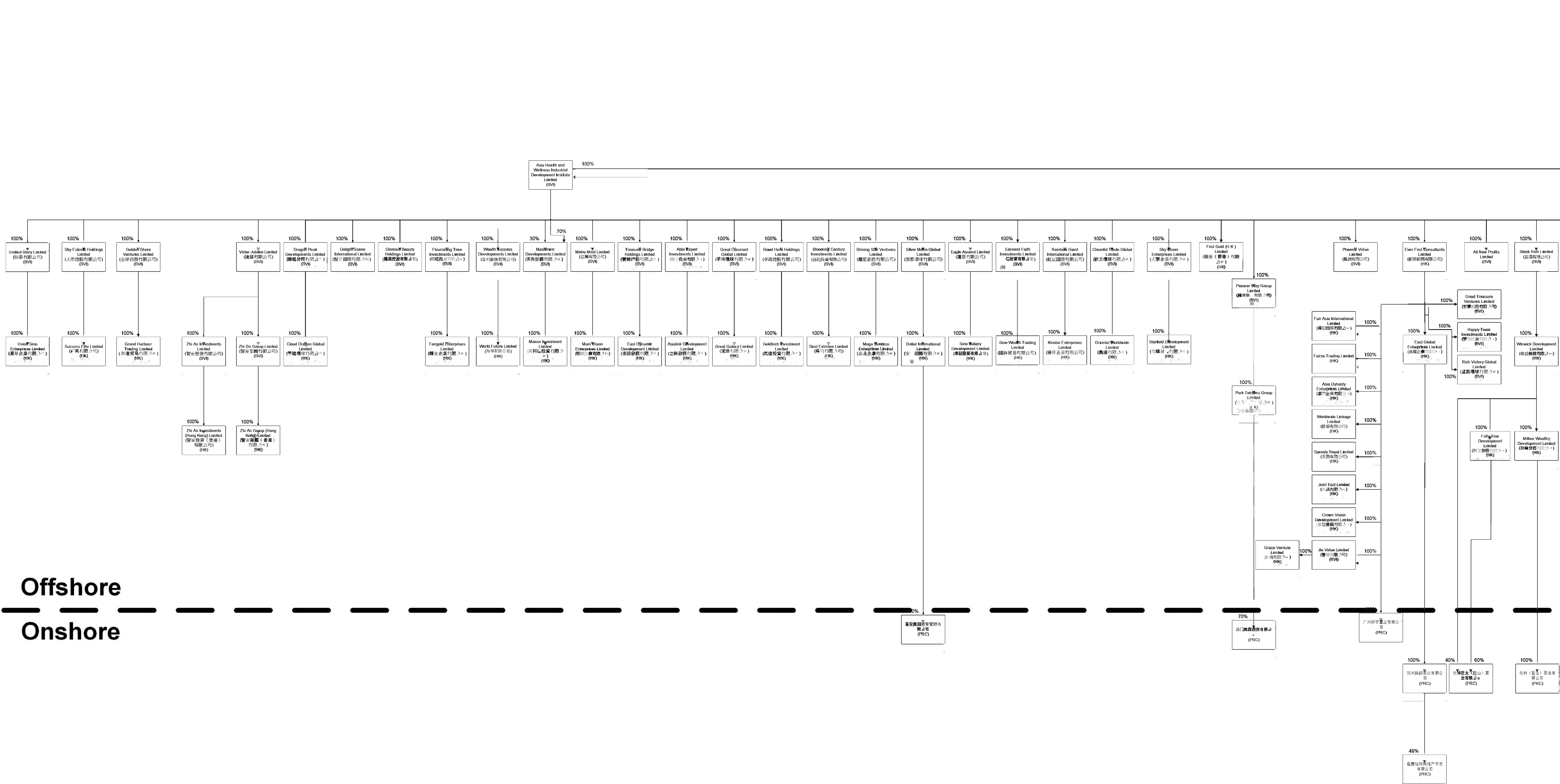
Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

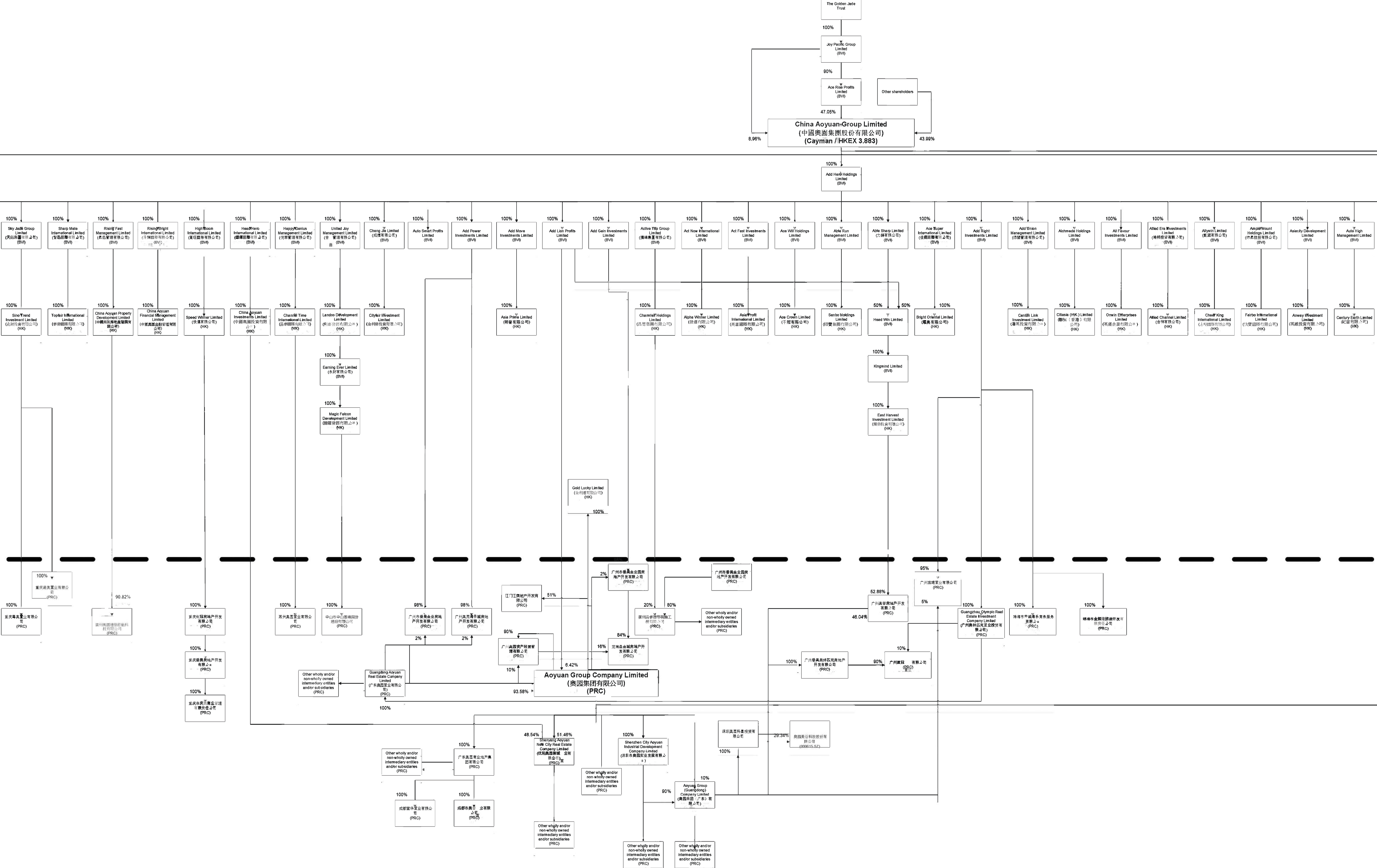
**APPENDIX 6**  
**GROUP STRUCTURE CHART**  
**[See over page]**

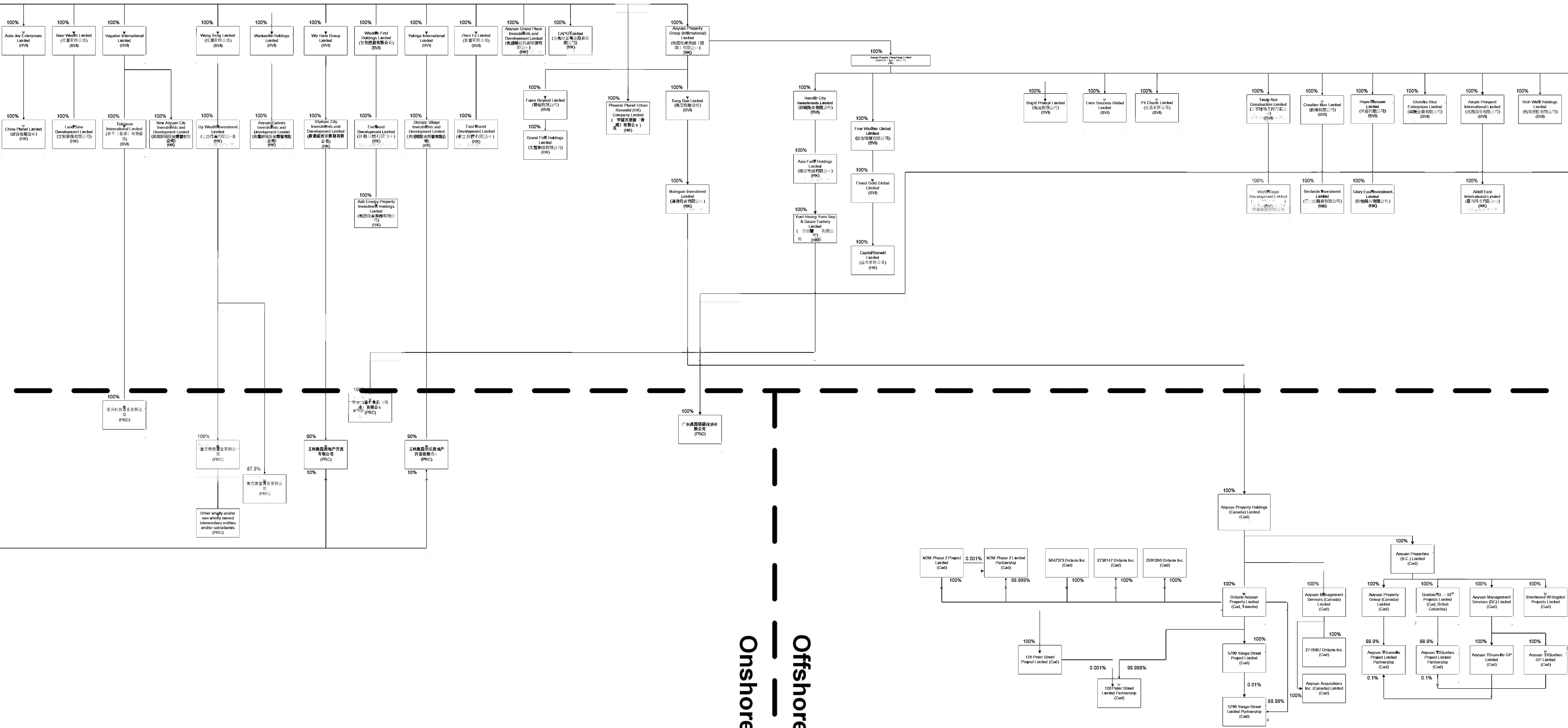


Offshore

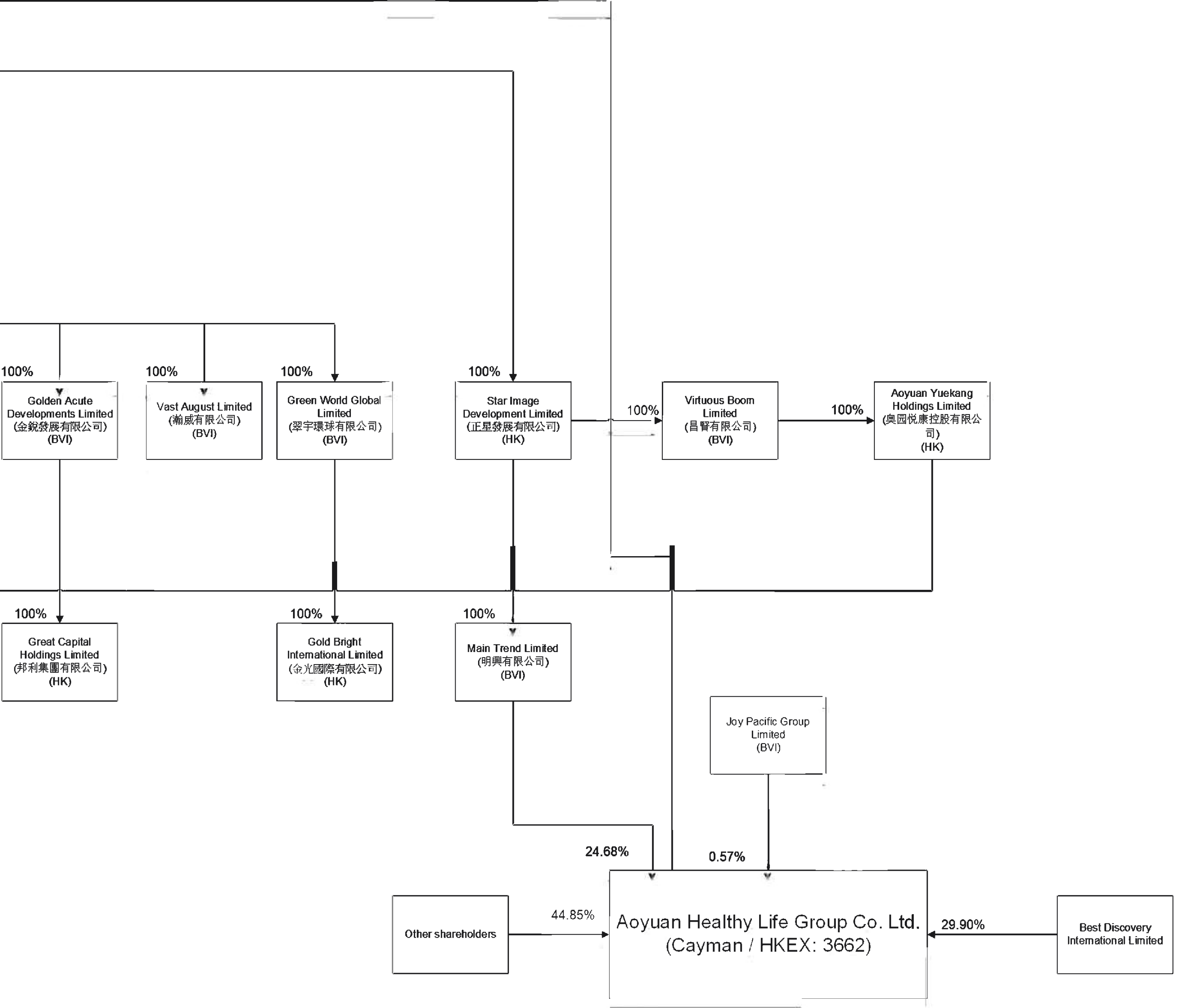
Onshore











**Cayman / BVI / Hong Kong**

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**Canada**

**APPENDIX 7**  
**LIQUIDATION ANALYSIS**

**[See over page]**



**STRICTLY PRIVATE AND CONFIDENTIAL**

**China Aoyuan Group Limited**

**Liquidation Analysis**

**16 October 2023**

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**Annexures**

1. List of Information and Documents – China Aoyuan
2. List of Information and Documents – Public Searches
3. Group Structure Chart
4. Chronology of Key Events – PRC Real Estate Industry and China Aoyuan
5. Summary of Financial Statements – Offshore Subsidiaries
6. Financial Position Analysis – Offshore Subsidiaries

**A. This Report**

1. Kroll was engaged by China Aoyuan Group Limited ("China Aoyuan") on 2 March 2023 and 12 September 2023 to undertake a liquidation analysis in respect of China Aoyuan based on a hypothetical liquidation scenario ("Liquidation Analysis") and a recovery analysis ("Recovery Analysis") in respect of the proposed schemes of arrangement in respect of China Aoyuan's material indebtedness ("China Aoyuan Schemes").
2. The Liquidation Analysis and Recovery Analysis primarily encompasses:

Liquidation Analysis

- 2.1 reviewing the available information and forecasts made available to us to consider what value, if any, will be available to offshore creditors from the onshore businesses, in the event that China Aoyuan's offshore subsidiaries ("Offshore Subsidiaries") are simultaneously placed into liquidation;
- 2.2 reviewing all available documents including but not limited to financial statements, valuations and other such documents provided to us;
- 2.3 undertaking analysis of such documents and data or other relevant records; and
- 2.4 estimating the returns to the creditors of China Aoyuan in the scenario envisaged at paragraph 1.1 above, based on a liquidation waterfall and taking into account any security which has been granted to the creditors.

Recovery Analysis

- 2.5 evaluating the recovery for the scheme creditors under the China Aoyuan Schemes ("Scheme Creditors"); and
- 2.6 comparing the recovery for the Scheme Creditors pursuant to the China Aoyuan Schemes to the recovery available to them under the Liquidation Analysis.

3. The purpose of this report is to describe the Liquidation Analysis and the Recovery Analysis ("Report"). This Report will be utilised to evaluate the current financial position of China Aoyuan and the options available to the creditors in relation to the financial indebtedness of China Aoyuan. This Report may assist creditors to assess and consider the China Aoyuan Schemes. Capitalised terms used in this Report that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.
4. For the purposes of this Report, we have adopted 31 December 2022 as the relevant date of the Liquidation Analysis (the hypothetical date on which China Aoyuan and the Offshore Subsidiaries are simultaneously placed into liquidation) and the Recovery Analysis (the hypothetical date on which all conditions of the China Aoyuan Schemes have been satisfied and the relevant considerations have been issued and become effective). We have done so as the financial statements of China Aoyuan and its subsidiaries (together "Group") as at 31 December 2022 and the associated information are available and these financial statements and information summarise the latest audited financial position of China Aoyuan and the relevant subsidiaries. All currency conversions to USD are calculated based on exchange rates of USD1 = RMB6.9646, HKD7.7965, AUD1.4453 and CAD1.3554 respectively.
5. Information and documents provided by China Aoyuan and/or its advisors for the purposes of this Report are set out in **Annexure 1 (List of Information and Documents – China Aoyuan)**.
6. We have also reviewed and considered other publicly available information for the purposes of the Liquidation Analysis. This publicly available information and documents in addition to those provided by China Aoyuan and/or its advisors are described in **Annexure 2 (List of Information and Documents – Public Searches)**.
7. This Report:
  - 7.1 has been prepared for China Aoyuan and/or its advisors and is strictly private and confidential;
  - 7.2 shall not be reproduced, distributed or disclosed, in whole or in part, without Kroll's prior written consent, save that this Report may be (i) provided to the creditors of China Aoyuan or a member of the Group on a duty of care basis, and (ii) included in any documents to be filed with any relevant Court(s) including in connection with the China Aoyuan Schemes and any communications with creditors and announcements made by China Aoyuan or its advisors;



- 7.3 has been prepared on the basis of the information and documents available to us. While we have attempted to corroborate the information obtained from different sources, we are relying on the accuracy and validity of these information and documents. Our work does not constitute an audit of the Group or the information and documents available us; and
- 7.4 contain various estimates. These estimates are not guarantees of future performance and involve risks and uncertainties, which are difficult to predict. Actual events and realisation may differ materially from what is estimated herein due to a variety of factors.
- 8. We reserve the right to amend or supplement our analysis and opinions as appropriate. We may also offer additional analysis and opinions in respect of any further information and documents to be made available to us in relation to this matter.

**B. Key Limitations**

9. The Liquidation Analysis is illustrative of the potential outcomes following a liquidation of China Aoyuan and its subsidiaries and therefore should be considered directional in nature only.
10. Estimating recoveries in a hypothetical liquidation is an uncertain process due to the number of unknown variables and is necessarily speculative. Further, the Liquidation Analysis has been prepared based on extensive use of estimates and assumptions that, although considered reasonable by China Aoyuan, are inherently subject to significant business, economic and competitive uncertainties and contingencies beyond the control of China Aoyuan.
11. To the extent that the assumptions set out in this Report do not hold true, or require refinement or amendment, this may, at some future point in time, alter the conclusions reached, and ultimately the possible outcomes for creditors under each scenario.
12. As stated above, the Liquidation Analysis has been completed at specific point in time, based on the financial position of China Aoyuan at 31 December 2022. As China Aoyuan's financial position continues to change over time, the possible outcomes in a liquidation scenario are also likely to change over time.

**C. Executive Summary**

13. **Section A (This Report)** describes the events leading to the engagement of Kroll by China Aoyuan to prepare this Liquidation Analysis in respect of China Aoyuan.
14. A summary of the Group's financial position based on their financial statements as at 31 December 2022 is described in **Section D (China Aoyuan – Financial Position)**. China Aoyuan has approximately 800 PRC Subsidiaries ("Onshore Subsidiaries") and 250 Offshore Subsidiaries. Its standalone liabilities exceed its assets as at 31 December 2022. The book value of China Aoyuan's assets was approximately 36% of its liabilities which primarily comprise the Existing Public Notes and the Existing Syndicated Facilities (as defined in the China Aoyuan Schemes). China Aoyuan's assets primarily comprise intercompany receivables.
15. China Aoyuan and the wider PRC real estate industry suffered a severe downturn since June 2021. A chronology of key events in relation to China Aoyuan and the PRC estate industry from around June 2021 to October 2023 is enclosed as **Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**.
16. The Onshore Subsidiaries own and develop over 240 real estate development projects in the PRC ("Development Projects"). Absent a material improvement of their financial and operational affairs, the likelihood of any material realisation from the Onshore Subsidiaries being made available to China Aoyuan and/or its Offshore Subsidiaries (whether in an offshore group liquidation scenario or otherwise) is likely remote, including for the following reasons:
  - 16.1 the Onshore Subsidiaries do not have sufficient cash to complete the Development Projects and the ability to source the necessary funding is limited;
  - 16.2 under the current regulatory environment of the PRC real estate industry, the Onshore Subsidiaries are obliged to utilise their financial and other resources to ensure completion and delivery of the Development Projects. Any surplus resources of the Onshore Subsidiaries are likely closely scrutinised by the local governments;
  - 16.3 local banks and trade and other creditors of the Onshore Subsidiaries would unlikely allow any funds and/or resources to be transferred offshore before the debts due by the Onshore Subsidiaries to them have been settled;

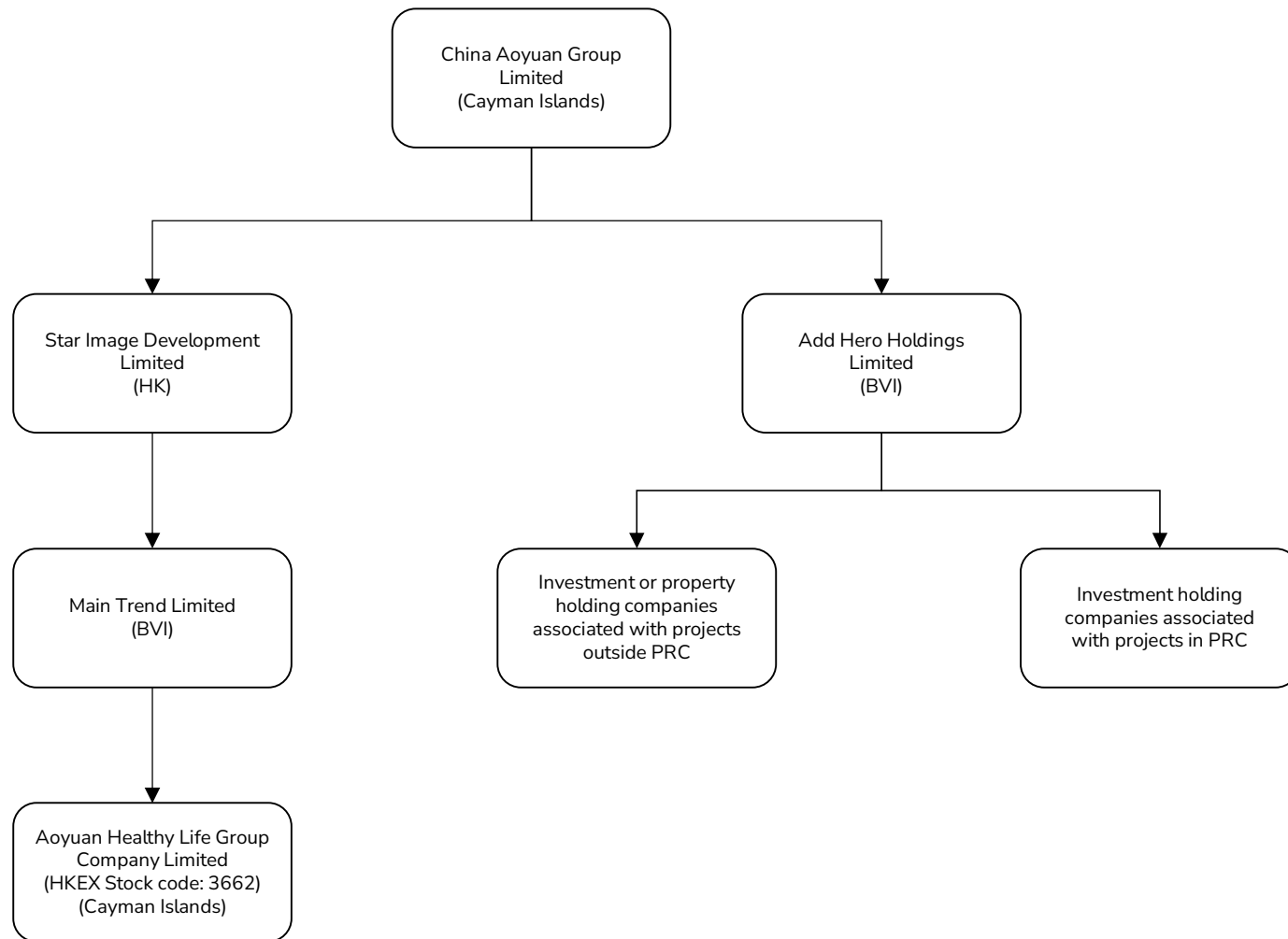
- 16.4 the Offshore Subsidiaries and their liquidators will likely be required to replace Onshore Subsidiaries' local legal representatives to be able to secure control of the Onshore Subsidiaries and their assets. In circumstances where the incumbent local legal representatives do not cooperate or where other parties oppose any such replacement, securing such control is unlikely without legal proceedings which may take several years; and
- 16.5 the estimated realisable value of the Onshore Subsidiaries' assets is likely materially less than their book value.
17. Accordingly, in the event of the liquidation of the Offshore Subsidiaries, no resources or distributions would be available from China Aoyuan's Onshore Subsidiaries, through the shareholding structure of the Group, to the Offshore Subsidiaries and China Aoyuan in any liquidation of China Aoyuan. Any liquidation analysis of China Aoyuan will therefore be focused on its Offshore Subsidiaries.
18. As at 31 December 2022, the major realisable assets of the Offshore Subsidiaries comprised, inter alia, (i) equity interests in 4 Canadian subsidiaries, which in turn own 3 property development projects in Canada, (ii) a commercial development project in Hong Kong, (iii) interest in Aoyuan Healthy Life Group Company Limited ("Aoyuan Healthy Life"), a company listed on the Main Board of the Stock Exchange of Hong Kong ("HKEX") (Stock Code: 3662) and (iv) net sale proceeds in respect of the disposal of the Group's interest in Aoyuan Property Group (Australia) Pty Limited. A summary of the financial statements of the Offshore Subsidiaries as at 31 December 2022 is enclosed as **Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)**.
19. Between 2012 and 2021, China Aoyuan and 88 Offshore Subsidiaries ("ICA Subsidiaries") entered into an intercreditor agreement ("ICA") and 27 supplements to the ICA in favour of the holders of the Existing Public Notes and the lenders under the Existing Syndicated Facilities ("ICA Creditors") pursuant to which, among other things, the liabilities owed by China Aoyuan to the ICA Creditors ("ICA Debts") are secured by a share pledge over all shares in the ICA Subsidiaries ("ICA Share Pledge") and a guarantee granted by all the ICA Subsidiaries in favour of the ICA Creditors ("ICA Guarantee"). All ICA Creditors are ranked equally and are entitled to receive recovery from the ICA Subsidiaries on a pro-rata basis (if any).
20. **Section E (Methodology and Liquidation Analysis)** describes the Liquidation Analysis undertaken on the basis of the methodology and key assumptions set out in this section. The Liquidation Analysis indicates that, in an insolvent liquidation, China Aoyuan would likely generate realisation available for its unsecured creditors, including the ICA Creditors, ranging between 3.7% and 4.2%, primarily from China Aoyuan's cash and cash equivalent, intercompany receivables and investment in subsidiaries totalling from USD255 million to USD292 million.

21. Further, the ICA Subsidiaries will likely generate additional realisations available for the ICA Creditors (as a result of the ICA Guarantee) ranging between 0.5% and 1.0%, which would result in total realisations available for the ICA Creditors from China Aoyuan and its ICA Subsidiaries ranging between 4.2% to 5.2%. A summary of the ICA Subsidiaries' financial positions and the return available from the ICA Subsidiaries to the ICA Creditors in a liquidation scenario is set out in **Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**.
22. **Section F (Recovery Analysis)** summarises the recovery available to the Scheme Creditors under the China Aoyuan Schemes as at 31 December 2022. Subject to the successful implementation of the China Aoyuan Schemes and the limitations described in this report, the China Aoyuan Schemes offer a 36.1% recovery for the Scheme Creditors. This is approximately 31.9% to 32.4% more than the estimated recovery available from China Aoyuan to its creditors in any liquidation.

**D. China Aoyuan – Financial Position**

23. China Aoyuan was incorporated in the Cayman Islands on 6 March 2007 and is a PRC property developer listed on the HKEX (Stock Code: 3883) with approximately 250 Offshore Subsidiaries and 800 PRC Onshore Subsidiaries.
24. Since 1 April 2022, the trading in China Aoyuan's shares on the HKEX has been suspended primarily because of China Aoyuan's delay in the publication of the 2021 annual results as a result of the following circumstances facing China Aoyuan at the time:
  - 24.1 the preparation of the Group's 2021 annual results had been significantly delayed due to the implementation of the Covid-19 prevention and control quarantine measures;
  - 24.2 China Aoyuan's management required more time to assess provisions for impairment; and
  - 24.3 additional audit procedures associated with the Group's liquidity were required.
25. On 22 September 2023, China Aoyuan announced that it had fulfilled the resumption guidance issued by the HKEX. Trading of China Aoyuan's shares on the HKEX resumed on 25 September 2023.

26. Set out below is a diagrammatic presentation of the holding structure of the Group:



27. A detailed structure chart describing the group structure of China Aoyuan and its major subsidiaries is enclosed as **Annexure 3 (Group Structure Chart)**.

China Aoyuan

28. A summary of the assets and liabilities of China Aoyuan as at 31 December 2022 prepared on the basis of its audited financial statements and the information available to us is set out below:

Assets and Liabilities	RMB	USD Equivalent
<b>Assets</b>		
Property, plant and equipment	735,947	105,670
Cash and cash equivalents	9,264,964	1,330,294
Trade and other receivables	1,410,748	202,560
Intercompany receivables	12,146,505,687	1,744,034,932
<b>Total assets</b>	<b>12,157,917,346</b>	<b>1,745,673,455</b>
<b>Liabilities</b>		
Existing Bilateral Facilities (SBLC) (as defined in the China Aoyuan Schemes)	(1,165,652,663)	(167,368,214)
Existing Syndicated Facilities	(4,711,953,131)	(676,557,610)
Existing Public Notes	(25,542,974,947)	(3,667,543,713)
Other loans	(2,001,964,368)	(287,448,578)
Trade and other payables	(1,101,121,620)	(158,102,636)
Intercompany payables	(351,663,178)	(50,492,947)
<b>Total liabilities</b>	<b>(34,875,329,907)</b>	<b>(5,007,513,699)</b>
<b>Net assets</b>	<b>(22,717,412,561)</b>	<b>(3,261,840,244)</b>



29. The above summary indicates that China Aoyuan's liabilities exceed its assets as at 31 December 2022. The book value of China Aoyuan's assets was approximately 36% of its liabilities which primarily comprise the Existing Public Notes and the Existing Syndicated Facilities. China Aoyuan's assets primarily comprise intercompany receivables. The above summary does not include contingent liabilities representing guarantee claims against China Aoyuan totalling USD1,870,415,014 as described at paragraph 50 below.
30. China Aoyuan and the wider PRC real estate industry suffered a severe downturn since June 2021. A chronology of key events in relation to China Aoyuan and the PRC estate industry from around June 2021 to October 2023 is enclosed as **Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)** and is summarised as follows:
- 30.1 as at 1 June 2021, at least 4 substantial PRC real estate developers were reported to have missed bond payment(s) and PRC real estate developers continued to encounter difficulties in accessing funding during this time;
- 30.2 China Aoyuan's ability to obtain liquidity was constrained from October 2021 when rating agencies (Standard & Poor's, Moody's and Fitch) commenced downgrading China Aoyuan's credit ratings and ceased totally in January 2022 when its credit rating was downgraded to RD (restricted default) by Fitch;
- 30.3 on 22 November 2021, China Aoyuan announced that it had engaged Admiralty Harbour Capital Limited as its financial adviser and Linklaters as its legal advisor to assess the Group's capital structure, financial condition and debt and liquidity profiles, and to engage with creditors to pursue a transparent dialogue in respect of matters of common interest;
- 30.4 from around the last quarter of 2021, China Aoyuan announced that the Group had been facing liquidity issues. For example:
- a. one of China Aoyuan's subsidiaries entered into an agreement to sell its interest in 3 property holding companies at HKD900 million, from which China Aoyuan expected to recognise a loss of approximately HKD177 million;
  - b. China Aoyuan received notices from creditors in respect of financings that had an aggregate principal amount of approximately USD651.2 million under which China Aoyuan and members of the Group are a borrower or a guarantor demanding payment as a result of ratings downgrades;
  - c. the continued market downturn and poor purchaser confidence in the PRC prevented the Group from realising its inventories and assets on reasonable terms;

- d. China Aoyuan was actively exploring potential asset disposals and engaging with strategic investors to create liquidity for, and alleviate or resolve debt issues of, the Group;
  - e. in order to preserve its limited cash resources and maintain fairness among all of its creditors pending a holistic debt restructuring, China Aoyuan would not make any payment of (i) the remaining principal and the last installment of interest of the 4.2% senior notes due 20 January 2022 and the 8.5% senior notes due 23 January 2022, and (ii) the latest installment of interest under the 7.35% senior notes due June 2023 and 7.95% senior notes due June 2024; and
  - f. China Aoyuan had been working with its advisors to formulate a restructuring proposal aiming to treat all creditors and other stakeholders fairly according to their position in the capital structure of the Group;
- 30.5 as at 31 December 2021, at least 16 real estate developers in the PRC were also reported to have missed bond payment(s) since July 2020. These developers include China Aoyuan, China Evergrande Group, Kaisa Group and Fantasia Holdings Group;
- 30.6 the Group's property contracted sales deteriorated significantly from December 2021 and by December 2022, its accumulated property contracted sales in 2022 declined 83% compared to 2021;
- 30.7 on 2 December 2021, China Aoyuan announced that given the liquidity issues faced by the Group, there is no guarantee that the Group would be able to meet its financial obligations under its other offshore financing arrangements as and when they fall due. On 19 January 2022, China Aoyuan further announced that events of default had occurred or would occur under all offshore financial indebtedness of the Group while the Group's aggregate onshore and offshore financial indebtedness approximated RMB111.3 billion as at 30 June 2021. Since then, the Group has been working with its advisors to formulate a restructuring proposal aiming to treat all creditors and stakeholders fairly according to their position in the capital structure of the Group;
- 30.8 at the same time, Covid-19 pandemic situation worsened in the PRC, especially after the outbreak in or around March 2022, adversely and broadly impacting the PRC business community and economy. The World Bank projected the PRC's real GDP growth to drop sharply to 4.3% in 2022 (0.8% points lower than expected);

- 30.9 on 30 June 2022, China Aoyuan announced that it had engaged KPMG Advisory (China) Limited to conduct an independent business review of the Group and to evaluate and analyse a potential restructuring plan under formulation by China Aoyuan and the Group in view of their financial difficulties;
- 30.10 as at 31 July 2022, at least 39 real estate developers in the PRC, including China Aoyuan, were reported to have missed bond payment(s) since July 2020. Creditors of some of these real estate developers commenced enforcement actions against them including by filing winding up petitions and appointing receivers;
- 30.11 by July 2022, the PRC home buyers had stopped mortgage payments on at least 320 real estate development projects in more than 100 cities. The PRC housing market was not expected to recover any time soon;
- 30.12 from November 2022, the PRC authorities including People's Bank of China ("PBOC") and Securities Regulatory Commission commenced implementing measures including offering cheaper loans to financial companies to purchase bonds issued by property developers and providing funds to high quality real estate developers, aiming to restore market confidence in the heavily indebted property sector. The local governments have also been proactive and worked closely with property developers to ensure completion and delivery of property development projects properly. The effect of these measures and/or how long it will take for these measures to be effective is highly uncertain, such that it does not guarantee that the precarious financial position of indebted PRC property developers will be alleviated any time soon;
- 30.13 on 6 January 2023, Reuters quoted the following opinions from economists and analysis in respect of the PRC real estate industry:
- a. UBS chief China economist – *"for 2023, we expect a sequential rebound in both sales and property new starts, as property policies continue to ease, and re-opening after COVID leads to a rebound in economic activity and household income"* and *"although property sales will likely be slightly weaker than in 2022, property will be much less of a drag on the economy than in 2022"*;
  - b. China Index Academy – *"new-home sales rose more than 20% over the three-day New Year holiday from a year-ago due to promotions, support policies and the gradual release of pent-up demand after high COVID-19 cases"*; and

- c. a Reuters survey of 8 economists and analysts – *“property sales are expected to slip by a median of 8% this year, compared to a slump of around 25% in 2022, as economic activity, household income and consumer confidence are seen rebounding in the second half”*;
- 30.14 on 28 February 2023, China Aoyuan announced that an ad hoc group of holders of certain Existing Public Notes had provided their in-principle agreement in writing in connection with a non-legally binding term sheet which outlined the key terms of a proposed standstill arrangement;
- 30.15 on 27 March 2023, 31 March 2023 and 6 April 2023, China Aoyuan announced that it had entered into several standstill agreements with certain offshore creditors in respect of its offshore senior notes Existing Public Notes, certain private notes (which were guaranteed by China Aoyuan) and certain offshore financing arrangements. The objective of the standstill agreements is to provide stability to the offshore operations of the Group and to preserve value of the Group for all creditors and to provide a stable platform to facilitate negotiations with a potential strategic investor based on the expected outcome of a holistic restructuring;
- 30.16 on 12 June 2023, China Aoyuan announced that creditors representing the following amounts of outstanding debt had signed and/or acceded to several standstill agreements: (i) USD2,862,161,000 in respect of the offshore senior notes Existing Public Notes, (ii) USD374,800,000 in respect of certain private notes Existing Private Notes, and (iii) USD755,407,092 in respect of certain offshore financing arrangements;
- 30.17 on 2 July 2023, China Aoyuan announced that it has reached an agreement with certain significant noteholders representing over 30% of the aggregate outstanding principal amount of its offshore senior notes Existing Public Notes in respect of the key terms of a proposed restructuring of China Aoyuan’s offshore material indebtedness;
- 30.18 on 17 July 2023, Reuters reported that the PRC’s property sales by floor area and property investment declined 28.1% and 20.6% in June year-on-year respectively;
- 30.19 on 31 July 2023, China Aoyuan announced that noteholders representing over 60% of the aggregate outstanding principal amount of its Existing Public Notes have either executed or acceded to the restructuring support agreement to support the proposed restructuring of China Aoyuan’s offshore material indebtedness;

- 30.20 on 1 August 2023, Bloomberg reported that new property sales in July 2023 by the 100 biggest real estate developers in the PRC declined 33.1% year-on-year and 33.5% month-on-month, which was the largest monthly drop in 2023 and the second consecutive monthly decline;
- 30.21 on 10 August 2023, China Aoyuan announced that noteholders representing over 75.89% of the aggregate outstanding principal amount of its Existing Public Notes have either executed or acceded to the restructuring support agreement to support the proposed restructuring of China Aoyuan's offshore material indebtedness;
- 30.22 on 23 August 2023, South China Morning Post quoted analysis by Goldman Sachs that the distress in China's property market could trigger RMB1.9 trillion of credit losses;
- 30.23 on 14 September 2023, Moody's downgraded the PRC's property sector outlook from stable to negative and advised that credit stress at Country Garden, one of the PRC's largest property developers, has amplified investors' risk aversion;
- 30.24 on 15 September 2023, Bloomberg reported that the PRC's home prices dropped at a faster pace in August, citing the data released by the National Statistics Bureau which indicated that the average new home prices in 70 major Chinese cities fell 0.29% in August 2023 from July 2023, compared with the 0.23% decline in July 2023 from June 2023;
- 30.25 on 22 September 2023, China Aoyuan announced that it had fulfilled the resumption guidance issued by the HKEX. Trading of China Aoyuan's shares on the HKEX resumed on 25 September 2023;
- 30.26 on 1 October 2023, the World Bank changed its forecast of the PRC's economic growth in 2024 from 4.8% to 4.4%, citing "weakness in the property sector" as one of the persistent domestic difficulties which will weigh on growth in the PRC; and
- 30.27 on 9 October 2023, Reuters reported that the PRC's average daily home sales during the Chinese Golden Week holiday decreased 17% compared with last year.

### **Offshore Financial Position**

- 31. As at 31 December 2022, China Aoyuan has approximately 250 Offshore Subsidiaries incorporated in Cayman Islands, British Virgin Islands ("BVI"), Canada and Hong Kong.

32. Between 2012 and 2021, China Aoyuan and 88 Offshore Subsidiaries (ICA Subsidiaries) entered into an intercreditor agreement (ICA) and 27 supplements to the ICA with the ICA Creditors pursuant to which, among other things, the ICA Debts owed by China Aoyuan to the ICA Creditors are secured by the ICA Share Pledge over all shares in the ICA Subsidiaries and the ICA Guarantee granted by all the ICA Subsidiaries in favour of the ICA Creditors. All ICA Creditors are ranked equally and are entitled to receive recovery from the ICA Subsidiaries on a pro-rata basis (if any).
33. The financial statements of the Offshore Subsidiaries as at 31 December 2022 indicate that among the Offshore Subsidiaries, only 12 of them are not ICA Subsidiaries and had net assets with book values of more than USD200 as at 31 December 2022 ("12 Offshore Subsidiaries"). The remaining Offshore Subsidiaries are either (i) ICA Subsidiaries or (ii) had net assets less than USD200 or had net liabilities as at 31 December 2022.
34. The major assets held by the relevant Offshore Subsidiaries primarily comprise:
- 34.1 100% interest in the following 4 Canadian subsidiaries which own 3 property development projects in Canada ("Canadian Subsidiaries"):

Canadian Subsidiaries	Remarks
133A Street Projects Limited	133A Street Projects Limited and Aoyuan 133Asurrey GP Limited collectively own all shares in Aoyuan 133Asurrey Project Limited Partnership. Aoyuan 133Asurrey Project Limited Partnership holds a property development project in Canada ("133A Surrey Project"). As at 31 December 2022, the 133A Surrey Project has not been completed and is charged as security for loan totalling USD78 million in favour of MCAP Financial Corporation.
Aoyuan 133Asurrey GP Limited	
	On 11 May 2023, shareholders of these 2 Canadian Subsidiaries entered into an agreement in respect of the disposal of, inter alia, its investment in 133A Street Projects Limited and Aoyuan 133Asurrey GP Limited, at a net sale proceeds totalling CAD48.5 million (equivalent to USD35.8 million).
	The disposal was completed before the date of this report and the sale proceeds were paid to a bank account designated by the relevant shareholders.

Canadian Subsidiaries	Remarks
5799 Yonge Street Limited Partnership	5799 Yonge Street Limited Partnership holds a property development project in Canada ("Yonge Street Project"). As at 31 December 2022, the Yonge Street Project has not been completed and is charged as security for loan totalling USD144 million in favour of HSBC Bank Canada.
128 Peter Street Limited Partnership	128 Peter Street Limited Partnership holds a property development project in Canada ("Peter Street Project"). As at 31 December 2022, the Peter Street Project has not been completed and is charged as security for loan totalling USD26 million in favour of HSBC Bank Canada. A valuation report prepared by CBRE Limited dated 13 September 2022 in respect of the Peter Street Project estimates its market value at USD60 million as at 7 September 2022.

- 34.2 a commercial development project in Hong Kong, held by Capital Benefit Limited, which is charged as security for loans totalling USD69 million in favour of Hang Seng Bank. Management of the Group considers that the realisable value of this project is barely sufficient to settle the loans due to Hang Seng Bank;
- 34.3 5.1% interest held by Masterwin Developments Limited in Helio Health Inc (formerly known as Laboratory for Advanced Medicine, Inc) ("Helio"), a private AI-driven healthcare company focusing on commercialising early cancer detection tests from a simple blood draw; and
- 34.4 54.6% equity interest in Aoyuan Healthy Life, a company listed on the HKEX (Stock Code: 3662).
35. On 16 February 2023, Main Trend Limited, an offshore wholly owned subsidiary of China Aoyuan, entered into a sale and purchase agreement with Best Discovery International Limited pursuant to which 29.9% equity interest in Aoyuan Healthy Life would be sold for a consideration of USD33 million. The sale was completed on 17 July 2023 and China Aoyuan continues to hold approximately 25% equity interest in Aoyuan Healthy Life after the sale.
36. Further, on 23 June 2022, Grand First Holdings Limited disposed of its investment in Aoyuan Property Group (Australia) Pty Limited, a subsidiary of China Aoyuan in Australia, at a consideration of AUD105 million (equivalent to USD73 million). The Group's management confirmed that the USD70 million cash and cash equivalents recorded in Aoyuan Property Group (International) Limited's management accounts as at 31 December 2022 represents net sale proceeds held by Aoyuan Property Group (International) Limited on trust for Grand First Holdings Limited in respect of the above sale.

37. The financial statements of the (i) 88 ICA Subsidiaries, (ii) 12 Offshore Subsidiaries, (iii) 2 further Offshore Subsidiaries which hold the above major assets ("Major Asset Subsidiaries") and (iv) 14 further Offshore Subsidiaries which are direct or indirect shareholders of the 88 ICA Subsidiaries or Major Asset Subsidiaries (together "116 Offshore Subsidiaries") as at 31 December 2022 indicate that:
- 37.1 the 116 Offshore Subsidiaries' assets primarily comprise intercompany receivables, investment in subsidiaries, property under development and cash and cash equivalents;
- 37.2 the 116 Offshore Subsidiaries' liabilities primarily comprise intercompany payables and bank loans; and
- 37.3 the assets of the 116 Offshore Subsidiaries represent 89% of the total assets of the Offshore Subsidiaries.
38. A summary of the financial statements of the Offshore Subsidiaries as at 31 December 2022 is enclosed as **Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)**.

#### Onshore Financial Position

39. China Aoyuan's Onshore Subsidiaries were incorporated in various regions of the PRC including South China, Central and Western China, East China and the Bohai Rim. The Onshore Subsidiaries own and develop over 240 real estate Development Projects in those regions. In assessing the Onshore Subsidiaries' ability to generate any return to their offshore shareholding companies (including the Offshore Subsidiaries and/or China Aoyuan), and thereafter China Aoyuan's creditors, we have considered the following matters:
- 39.1 the financial position of the Onshore Subsidiaries and the Development Projects; and
- 39.2 the status of the PRC economy including its real estate industry (and its regulatory and other requirements).

#### Financial Position of the Onshore Subsidiaries and the Development Projects

40. The standalone financial statements of the Onshore Subsidiaries as at 31 December 2022 (before elimination of any intercompany transactions and investments in subsidiaries) indicate that the Onshore Subsidiaries' assets totalled RMB349 billion (equivalent to USD50 billion). The Onshore Subsidiaries' assets primarily comprise:



- 40.1 property under development (27%), which are incomplete development projects located in the PRC;
  - 40.2 trade and other receivables (25%); and
  - 40.3 investments in subsidiaries, joint ventures and associates (24%).
41. The Onshore Subsidiaries' liabilities totalled RMB268 billion (equivalent to USD38 billion) as at 31 December 2022.
42. Estimates prepared by the Group as at 31 December 2022 indicate that the Onshore Subsidiaries will require approximately RMB183 billion (equivalent to USD26 billion) to complete the Development Projects and these Development Projects will not generate sufficient cashflow for the relevant Onshore Subsidiaries to settle all the operational costs, expenses and liabilities associated with these Development Projects and the Onshore Subsidiaries, with an estimated shortfall of approximately RMB31 billion (equivalent to USD4.5 billion) – this shortfall is substantially more than the Onshore Subsidiaries' cash and cash equivalents totalling RMB10 billion (equivalent to USD1.4 billion).

Status of the PRC Economy

43. As set out in paragraph 29 above and the chronology enclosed as **Annexure 4** of this Report, the PRC real estate industry has suffered a downturn from around 2020. To deal with the downturn, the PRC governments have been working closely with property developers to ensure, inter alia, completion and delivery of property development projects by adopting one or more of the following measures:
- 43.1 closely monitoring the progress and status of the property development projects to ensure sufficient resources are being assigned from the group to the ongoing development projects;
  - 43.2 resources used for any purposes other than completing and delivering the property development projects are closely scrutinised;
  - 43.3 local governments may take over the management of the property development projects to address any problems and issues faced by the property development projects; and
  - 43.4 where necessary and as a last resort, funding may be made available by the local governments to ensure completion and delivery of the property development projects.

44. Further, absent a material improvement of their financial and operational affairs, the likelihood of any material realisation from the Onshore Subsidiaries being made available to China Aoyuan and/or its Offshore Subsidiaries (whether in an offshore group liquidation scenario or otherwise) is likely remote, including for the following reasons:
- 44.1 the Onshore Subsidiaries do not have sufficient cash to complete the Development Projects and the ability to source the necessary funding is limited;
  - 44.2 under the current regulatory environment of the PRC real estate industry, the Onshore Subsidiaries are obliged to utilise their financial and other resources to ensure completion and delivery of the Development Projects. Any surplus resources of the Onshore Subsidiaries are likely closely scrutinised by the local governments;
  - 44.3 local banks and trade and other creditors of the Onshore Subsidiaries would unlikely allow any funds and/or resources to be transferred offshore before the debts due by the Onshore Subsidiaries to them have been settled;
  - 44.4 the Offshore Subsidiaries and their liquidators will likely be required to replace Onshore Subsidiaries' local legal representatives to be able to secure control of the Onshore Subsidiaries and their assets. In circumstances where the incumbent local legal representatives do not cooperate or where other parties oppose any such replacement, securing such control is unlikely without legal proceedings which may take several years; and
  - 44.5 the estimated realisable value of the Onshore Subsidiaries' assets is likely materially less than their book value.
45. Accordingly, no resources or distributions would be available from China Aoyuan's Onshore Subsidiaries, through the shareholding structure of the Group, to the Offshore Subsidiaries and China Aoyuan in any liquidation of China Aoyuan. Any liquidation analysis of China Aoyuan will therefore be focused on its Offshore Subsidiaries.

**E. Methodology and Liquidation Analysis**

46. This section sets out the Liquidation Analysis in respect of China Aoyuan as at 31 December 2022 based on the information and documents available to us, the circumstances surrounding the Group and the PRC real estate industry as described in **Section D (China Aoyuan – Financial Position)** and the following methodology and key assumptions.
47. The Liquidation Analysis primarily encompasses:
- 47.1 reviewing the available information and forecasts made available to us to consider what value, if any, will be available to offshore creditors of China Aoyuan from the onshore businesses in the event of a simultaneous liquidation of all the Offshore Subsidiaries;
  - 47.2 reviewing all available documents including but not limited to financial statements, valuations and other such documents provided to us;
  - 47.3 undertaking analysis of such documents and data or other relevant records; and
  - 47.4 estimating the returns to the creditors of China Aoyuan based on a liquidation waterfall and taking into account any security which has been granted to the creditors.
48. The methodology adopted in the Liquidation Analysis includes:
- 48.1 assessing the financial position of the Offshore Subsidiaries including whether there would be any (direct or indirect) distribution from them, through the shareholding structure, to China Aoyuan as at 31 December 2022;
  - 48.2 estimating the realisable value of China Aoyuan's assets as at 31 December 2022 under the following 2 scenarios:
    - a. a low recovery scenario in which the relevant assets would be realised at a relatively lower value ("Low Recovery Case"); and
    - b. a high recovery scenario in which the relevant assets would be realised at a relatively higher value ("High Recovery Case");
  - 48.3 considering China Aoyuan's liabilities as at 31 December 2022, and the security associated with such liabilities (if any); and

- 48.4 establishing the likely return available from China Aoyuan to its creditors in a liquidation scenario under the Low Recovery Case and the High Recovery Case.
49. In implementing the above methodology, we have also adopted the following key assumptions:
- 49.1 China Aoyuan and the Offshore Subsidiaries were placed into liquidation on 31 December 2022 and ceased trading and operations upon liquidation. No material realisation would be available from the Onshore Subsidiaries, for the reasons set out in paragraphs 39 to 45 above;
  - 49.2 all assets of China Aoyuan and the Offshore Subsidiaries would be sold or realised on a liquidation basis;
  - 49.3 all liabilities of China Aoyuan and the Offshore Subsidiaries would become due and payable upon filing of the winding-up application or commencement of the winding up, as applicable;
  - 49.4 secured creditors of China Aoyuan and the Offshore Subsidiaries would enforce against all secured assets associated with their debts and claim in the liquidation as unsecured creditors for any remaining unpaid balances from China Aoyuan and/or the Offshore Subsidiaries;
  - 49.5 unsecured creditors of China Aoyuan and the Offshore Subsidiaries (including secured creditors claiming on a "deficiency basis" for the unpaid balance of their claims) would exercise their respective rights to recover their debts including by making a claim in the liquidations of China Aoyuan and/or the Offshore Subsidiaries for the full amounts they are entitled to;
  - 49.6 the distribution to unsecured creditors would be made on a pari-passu basis for each class of creditors;
  - 49.7 costs associated with the liquidation, including fees and expenses incurred by the liquidators and their legal and other advisors during China Aoyuan's and the Offshore Subsidiaries' liquidations, would be settled from the realisable assets before any distribution to the creditors (in line with s. 109(1) of the Companies Act (2023 Revision) and O.20, r.1 of the Companies Winding Up Rules (2023 Consolidation) of the Cayman Islands); and

49.8 any distribution of funds from the Offshore Subsidiaries to China Aoyuan would not be impacted by the relevant local policies and/or legislations, including any capital restrictions or taxation policies.

50. We have, in the summary below, estimated the realisable value of China Aoyuan's assets under the Low Recovery Case and High Recovery Case by reference to its financial statements as at 31 December 2022, and our observations and analysis of this information. From this, established the likely return available from China Aoyuan to its creditors in a liquidation scenario under these 2 cases:

Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
<b>Assets</b>				
Property, plant and equipment	105,670	-	-	These property, plant and equipment ("PPE") are office equipment of China Aoyuan.  In our experience, office equipment is unlikely realisable in any liquidation.
Cash and cash equivalents	1,330,294	1,330,294 (100%)	1,330,294 (100%)	In our experience, cash and cash equivalents are usually fully realisable.
Trade and other receivables	202,560	-	-	This comprises prepayment (57%) and other receivables (43%). All these trade and other receivable have been outstanding for over a year as at 31 December 2022 and would unlikely be realisable in any liquidation.
Intercompany receivables	1,744,034,932	199,678,646 (12%)	235,908,038 (14%)	This represents amounts due from the following Offshore Subsidiaries:  1. Add Hero Holdings Limited;  2. Add Lion Profits Limited;  3. Add Power Investments Limited;  4. Add Right Investments Limited;

Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
				<p>5. Aoyuan Grand Place Investments &amp; Development Limited;</p> <p>6. Aoyuan Property (Hong Kong) Limited;</p> <p>7. Glorious Beauty Holdings Limited;</p> <p>8. Grand First Holdings Limited;</p> <p>9. Maingain Investment Limited; and</p> <p>10. Phoenix Virtue Limited.</p> <p>Our analysis in respect of the financial position of the above Offshore Subsidiaries indicates that there will likely be a dividend distribution of 12% to 14% to their unsecured creditors (including China Aoyuan), which primarily results from (i) the estimates of China Aoyuan's management in respect of the Canadian Subsidiaries and (ii) the sale of investments in 133A Street Projects Limited, Aoyuan 133Asurrey GP Limited and Aoyuan Property Group (Australia) Pty Limited as described in paragraphs 34 and 36 above.</p> <p>A summary of the above relevant Offshore Subsidiaries' financial positions in a liquidation scenario is set out in <b>Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)</b> and <b>Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)</b>.</p>
Investment in subsidiaries	-	54,203,218 (100%+)	54,342,898 (100%+)	<p>This represents China Aoyuan's investment in Add Hero Holdings Limited and Star Image Development Limited.</p> <p>In any liquidation, realisable value of a company's investment in subsidiaries usually depends on whether the subsidiaries have</p>

Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
				<p>surplus funds available to be distributed to their shareholders after settling their liabilities and any costs associated with the realisation of these assets and any winding up costs.</p> <p><u>Add Hero Holdings Limited</u></p> <p>Add Hero Holdings Limited is an ICA Subsidiary. In any liquidation of China Aoyuan and its Offshore Subsidiaries, the ICA Creditors will likely enforce the ICA Share Pledge in order to maximise their recovery. Any surplus funds available from Add Hero Holdings Limited to China Aoyuan would be paid to the ICA Creditors (instead of China Aoyuan) pursuant to the ICA Share Pledge and there would not be any recovery to China Aoyuan from its investment in Add Hero Holdings Limited.</p> <p><u>Star Image Development Limited</u></p> <p>Our analysis in respect of the financial position of Star Image Development Limited indicates that Star Image Development Limited's only asset is its equity interest in Main Trend Limited and it does not have any liabilities. There would likely be surplus assets available to be distributed from Star Image Development Limited to China Aoyuan approximating USD54 million in any liquidation by reference to the sale and purchase agreement with Best Discovery International Limited pursuant to which 29.9% equity interest in Aoyuan Healthy Life would be sold for a consideration of USD33 million as described in paragraph 34.4 above.</p> <p>A summary of the financial position of China Aoyuan's subsidiaries and our analysis of any recovery from these subsidiaries to China Aoyuan in any liquidation are set out in <b>Annexure 5 (Summary of</b></p>

Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
				<b>Financial Statements – Offshore Subsidiaries) and Annexure 6 (Financial Position Analysis – Offshore Subsidiaries) respectively.</b>
<b>Total realisable value of assets</b>	<b>1,745,673,455</b>	<b>255,212,158</b>	<b>291,581,230</b>	
<b>Liabilities</b>				<p>We have assumed that all liabilities would become due and payable in this analysis. This analysis excludes any contractual and statutory liabilities which may be triggered by the liquidation of China Aoyuan such as termination of any contracts or agreements entered into by China Aoyuan. Such damages could likely be substantial and for this reason, the liabilities set out in this analysis are likely conservative.</p> <p>Further, by reference to its financial statements as at 31 December 2022, China Aoyuan does not have any preferential creditors as at 31 December 2022.</p>
Cost of liquidation	-	(12,760,608)	(14,579,061)	<p>Costs of liquidation includes fees and expenses incurred by the liquidators and their advisors settled before any distribution to the creditors.</p> <p>In our experience, the cost of liquidation would likely approximate 5% of the total realisable value of all assets.</p>
<b>Balance available to unsecured claims (after liquidation cost)</b>	<b>1,745,673,455</b>	<b>242,451,550</b>	<b>277,002,168</b>	
Existing Bilateral Facilities (SBLC) (unsecured balance after offsetting against Letter of Credit)	(51,864,406)	(1,893,573) (3.7%)	(2,163,417) (4.2%)	This represents the remaining balance of the bank loans extended to China Aoyuan totalling USD167 million after offsetting against the cash collateralised standby letter of credit granted by Onshore Subsidiaries ("Letter of Credit") totalling USD116 million.



Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
Existing Syndicated Facilities	(676,557,610)	(24,701,166) (3.7%)	(28,221,212) (4.2%)	The Existing Public Notes and the Existing Syndicated Facilities represent 100% of the ICA Debts as at 31 December 2022.
Existing Public Notes	(3,667,543,713)	(133,902,280) (3.7%)	(152,984,058) (4.2%)	
Trade and other payables	(36,353,731)	(1,327,277) (3.7%)	(1,516,421) (4.2%)	As set out in paragraph 28 above, China Aoyuan's trade and other payables totalled USD158,102,636. These amounts include liabilities of third parties guaranteed by China Aoyuan totalling USD121,748,905 ("Third Parties Liabilities").  For the purposes of this analysis, we have included and treated these Third Parties Liabilities as guaranteed liabilities.
Intercompany payables	(50,492,947)	(1,843,501) (3.7%)	(2,106,210) (4.2%)	
Guaranteed liabilities (Onshore Subsidiaries' liabilities due to onshore creditors)	(463,709,274)	(16,930,058) (3.7%)	(19,342,681) (4.2%)	This relates to liabilities of the Onshore Subsidiaries due to their onshore creditors totalling USD706 million which are guaranteed by China Aoyuan. The Onshore Subsidiaries also provided assets as security for these liabilities, which primarily comprise lands, buildings and constructions in progress. Information available indicates that (i) these onshore liabilities were incurred to fund the relevant Development Projects, and (ii) the realisable value of the relevant secured assets estimated by the Group's management is sufficient to settle approximately USD242 million of these onshore liabilities.  In any liquidation scenario, the creditors will claim the remaining balance totalling USD464 million against China Aoyuan and the relevant Onshore Subsidiaries.

Assets and Liabilities USD Equivalent	Audited 31 December 2022	Low Recovery Case	High Recovery Case	Kroll's Observations and Analysis
Guaranteed liabilities (third parties)	(1,406,705,740)	(51,358,926) (3.7%)	(58,677,842) (4.2%)	These liabilities are the Existing Private Notes, Existing Private Loans, Existing Other Offshore Financings and the USD100m Noble Prestige Facility defined in the China Aoyuan Schemes.
Other loans	(287,448,578)	(10,494,768) (3.7%)	(11,990,327) (4.2%)	
<b>Total Unsecured Claims</b>	<b>(6,640,676,000)</b>			
<b>Estimated Return from China Aoyuan to its unsecured creditors</b>		<b>(242,451,550) (3.7%)</b>	<b>(277,002,168) (4.2%)</b>	
<b>Estimated Additional Return to the ICA Creditors pursuant to the ICA Guarantee</b>		<b>22,837,909 (0.5%)</b>	<b>44,362,876 (1.0%)</b>	This represents the estimated return available from the ICA Subsidiaries to the ICA Creditors pursuant to the ICA Guarantee. A summary of the ICA Subsidiaries' financial positions and the return available from the ICA Subsidiaries to the ICA Creditors in a liquidation scenario is set out in <b>Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)</b> .

51. Accordingly, on the basis of the above Liquidation Analysis, the liquidation of China Aoyuan would likely generate realisation available for its unsecured creditors, including the ICA Creditors, ranging between 3.7% to 4.2%, primarily from China Aoyuan's cash and cash equivalent, intercompany receivables and investment in subsidiaries totalling USD255 million to USD292 million.
52. Further, in a simultaneous liquidation of all Offshore Subsidiaries, the ICA Subsidiaries would likely generate additional realisations available for the ICA Creditors (as a result of the ICA Guarantee) ranging between 0.5% and 1.0% and as a result, the total realisations available for the ICA Creditors from China Aoyuan and its ICA Subsidiaries would range between 4.2% to 5.2%.
53. In my experience, in light of the size and nature of the businesses and assets of China Aoyuan and its Offshore Subsidiaries, the associated liquidation procedures, including investigating the affairs of these companies, securing and realising their assets, adjudicating the creditors' claims and distributing dividends to their respective creditors, will likely require 5 to 7 years.

**F. Recovery Analysis**

54. This section summarises the recovery available to the Scheme Creditors under the China Aoyuan Schemes as at 31 December 2022.
55. The information available to us indicates that the Scheme Creditors were indebted by China Aoyuan for USD6,519,410,192 as at 31 December 2022. Pursuant to the China Aoyuan Schemes set out in its announcement dated 2 July 2023, the Scheme Creditors will receive the following recovery with an estimated value of USD2,356,077,564 (being 36.1% of total debts of the Scheme Creditors against China Aoyuan of USD6,519,410,192):
- 55.1 new mandatory convertible bonds issued by China Aoyuan in an aggregate principal amount of USD143 million;
- 55.2 1.4 billion ordinary shares in China Aoyuan at HKD1.06 per share totalling HKD1,484 million (equivalent to USD213 million);
- 55.3 new notes issued by China Aoyuan and secured by shares in Aoyuan Healthy Life ("China Aoyuan New Notes") in an aggregate principal amount of USD400 million; and
- 55.4 new perpetual notes issued by China Aoyuan in an aggregate principal amount of USD1.6 billion.
56. In light of the above and subject to the successful implementation of the China Aoyuan Schemes and the limitations described in this report, the China Aoyuan Schemes offer a 36.1% recovery for the Scheme Creditors. This is approximately 31.9% to 32.4% more than the estimated recovery available from China Aoyuan to its creditors in any liquidation.
57. Set out below is a summary comparing the estimated recovery available from China Aoyuan to the Scheme Creditors under the China Aoyuan Schemes and the Liquidation Analysis:

Estimated Recovery	%
China Aoyuan Schemes	36.1
Liquidation Analysis	3.7 to 4.2
Difference	31.9 to 32.4

58. Further, the China Aoyuan Schemes offer the following additional recovery to the Scheme Creditors who provided their consent to the China Aoyuan Schemes ("Consenting Scheme Creditors"), quantum of which is not available to us:
- 58.1 0.25% of the Consenting Scheme Creditors' debts against China Aoyuan; and
  - 58.2 China Aoyuan New Notes in the principal amount of USD100 million to be shared between all Consenting Scheme Creditors.

59. Should you have any queries or require any further information, please contact me or Anson Li of this office. Our contact details are set out below:

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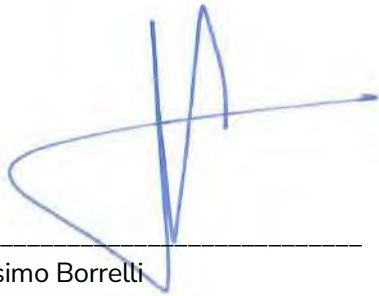
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Dated this 16th day of October 2023



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Cosimo Borrelli  
Managing Director  
Kroll (HK) Limited

**China Aoyuan Group Limited**  
**Liquidation Analysis**

**Annexure 1 (List of Information and Documents – China Aoyuan)**

1. Corporate structure charts in respect of the Group
2. Standalone management accounts of the Group for the year ended 31 December 2022 (“Management Accounts”)
3. Breakdown and further information in respect of the Management Accounts
4. Liabilities profile of China Aoyuan as at 31 December 2022
5. A summary of guaranteed / secured loans of the Group as at 31 December 2022
6. Intercreditor agreement dated 23 November 2012 and supplements to the intercreditor agreement
7. Valuation reports / construction progress reports in respect of the major real estate property / investments held by the relevant Offshore Subsidiaries
8. Cash flow projections and forecasts in relation to the Onshore Subsidiaries as at 31 December 2022

**Annexure 2 (List of Information and Documents – Public Searches)**

1. Interim report and annual report of China Aoyuan Group Limited and its subsidiaries for the six months ended 30 June 2021 and for the year ended 31 December 2020 respectively
2. Announcements published on HKEX, Shenzhen Stock Exchange and Shanghai Stock Exchange
3. An article published by Sina Finance dated 12 January 2021 titled “Real estate loans' Two Red Lines Policy: What are they and their impact” and an article published by Loupan.Com dated 18 April 2022 titled “What are the real estate developers' Three Red Lines Policy”
4. An article published by the Asia Financial dated 30 June 2021 titled “China’s property stocks plummet to 10-year low despite home sales frenzy”.
5. An article published by Reuters dated 27 August 2021 titled “Analysis: China’s property crackdown stalks credit market”
6. An article published by the Guardian dated 14 September 2021 titled “China property giant Evergrande admits debt crisis as protesters besiege HQ”
7. An article published by Allianz dated 15 October 2021 titled “China’s great crunch: causes and consequences, at home and abroad”
8. An article published by Debtwire dated 15 October 2021 titled “Debt-rating agency S&P downgrades two Chinese developers with projects under way in Canada”
9. An article published by Fitch Ratings dated 3 November 2021 titled “Fitch Downgrades China Aoyuan Group to 'B+'; Removes from UCO; Outlook Negative”
10. An article published by Moody’s dated 5 November 2021 titled “Moody's downgrades China Aoyuan's ratings to B2/B3; ratings remain”
11. An article published by Debtwire dated 16 November 2021 titled “Aoyuan downgraded to CCC on liquidity crunch; outlook negative - S&P”
12. An article published by Reuters dated 18 November 2021 titled “Evergrande sells streaming platform stake at discount; S&P says default "likely"”
13. An article published by Debtwire dated 19 November 2021 titled “China Aoyuan Group downgraded to B-; on RWN - Fitch”
14. An article published by Cailian Press dated 22 November 2021 titled “奥园集团 8.16 亿元 ABS 展期方案获通过”

**Annexure 2 (List of Information and Documents – Public Searches)**

15. An article published by Moody's dated 22 November 2021 titled "Moody's downgrades China Aoyuan's ratings to Caa2/Caa3; outlook negative"
16. An article published by Debtwire dated 23 November 2021 titled "Aoyuan: holders of accelerated Rainmaker USD150 million notes consent to extension through June 2022"
17. An article published by The Paper dated 23 November 2021 titled "消息称奥园一笔6600 万信托贷款违约 回应称因合作方涉诉"
18. An article published by Debtwire dated 24 November 2021 titled "China Aoyuan secures extension approval of CNY 522.5 million 5.8% senior, CNY 27.5m zero-coupon subordinated ABN tranches due on 26 November"
19. An article published by Fitch Ratings dated 24 November 2021 titled "Fitch Downgrades China Aoyuan Group to 'CCC-' Due to Lower Likelihood of Bond Refinancing"
20. An article published by Debtwire dated 25 November 2021 titled "Aoyuan: holders of Rainmaker USD 150 million notes invoke prepayment guarantee after term-out documents fail to be executed"
21. An article published by Fitch Ratings dated 7 December 2021 titled "Fitch Downgrades China Aoyuan Group to 'C'"
22. An article published by Debtwire dated 9 December 2021 titled "Evergrande, Hengda, Tianji downgraded to RD after grace period lapses on missed USD coupon payment – Fitch"
23. An article published by the World Bank dated 22 December 2021 titled "China Economic Update – December 2021"
24. An article published by ABC News dated 17 January 2022 titled "China's economy grows 8.1% in 2021, slows in second half"
25. An article published by Debtwire dated 17 January 2022 titled "Aoyuan unit fails to make repayment for overdue CNY 172.76 million debts"
26. An article published by Debtwire dated 21 January 2022 titled "COURT: Aoyuan hit by HK recovery suit by China Citic Bank over HKD117 million loan"
27. An article published by Debtwire dated 21 January 2022 titled "China Aoyuan Group downgraded to RD - Fitch"



**Annexure 2 (List of Information and Documents – Public Searches)**

28. An article published by KPMG dated February 2022 titled “China Economic Monitor Issue: 2022Q1”
29. An article published by Moody dated 11 March 2022 titled “More defaults ahead for Chinese developers”
30. An announcement made by the Shanghai Municipal Health Commission dated 29 March 2022 in respect of Covid lockdown in Shanghai
31. An article published by Bloomberg dated 13 April 2022 titled “Here's how China's lockdowns are rippling through economy”
32. An article published by Debtwire dated 14 April 2022 titled “Aoyuan works on plan involving haircut, equity swap for offshore bonds; Ping An files winding up against JV-partner issuer of private notes”
33. An article published by Loupan.com dated 18 April 2022 titled “房地产三道红线是指哪三道红线”
34. An article published by Beijing Business Today dated 12 May 2022 titled “今起，北京房山、顺义暂停公交运营！出租车暂停向这些区域派单”
35. An article published by the World Bank dated 8 June 2022 titled “China Economic Update – June 2022”
36. An article published by CNBC dated 16 June 2022 titled “China's new home prices fall again, more stimulus expected”
37. An article published by the China Index Academy dated 30 June 2022 titled “Sales performance of PRC property developers in 1H 2022”
38. An article published by the Standard dated 14 July 2022 titled “Chinese buyers stop paying mortgages on unfinished homes”
39. An article published by BBC News dated 15 July 2022 titled “Coronavirus: China economy shrinks on zero-Covid policy”
40. An article published by the South China Morning Post dated 19 July 2022 titled “China bond defaults hit US\$20 billion in 2022, more than double last year's total, as property developers teeter”
41. An article published by Newtalk dated 21 July 2022 titled “廣州、上海關店潮來了！近 60%民眾失消費意願 商場空置率達 9.8 %”

**Annexure 2 (List of Information and Documents – Public Searches)**

42. An article published by NOWnews dated 25 July 2022 titled “房產泡沫破滅！中國財政缺口達 27 兆”
43. An article published by Guancha dated 26 July 2022 titled “机构：将成立房地产纾困基金，支持 12 家出险房企脱困”
44. An article published by BBC News dated 28 July 2022 titled “Covid in China: Million in lockdown in Wuhan after four cases”
45. An article published by Renmin RiBao in respect of the meeting of the Politburo of the Chinese Communist Party dated 29 July 2022 titled “分析研究当前经济形势和经济工作 审议《关于十九届中央第九轮巡视情况的综合报告》”
46. A summary published by Debtwire as at 1 August 2022 in respect of PRC property companies with missed USD Bond Payments since July 2020
47. An article published by CNBC dated 1 August 2022 titled “China's economy could be dragged down by loss of confidence in property sector”
48. An article published by Forbes dated 2 August 2022 titled “Evergrande Creditors Left with Few Options as Beijing Sets the Agenda”
49. An article published by BBC News dated 7 August 2022 titled “Sanya: Covid lockdown strands tourists on 'China's Hawaii'”
50. An article published by Bloomberg dated 15 August 2022 titled “China Home Prices Fall for 11th Month as Mortgage Crisis Deepens”
51. An article published by Bloomberg dated 24 August 2022 titled “China Probes Property Executives for Possible Law Violations”
52. An article published by Bloomberg dated 8 September 2022 titled “What's next for China property in five BI charts”
53. An article published by The Economist dated 12 September 2022 titled “China's Ponzi-like property market is eroding faith in the government”
54. An article published by The Paper dated 23 September 2022 titled “央地聯手多管齊下“保交樓” 政策性銀行資金支援，地方政府立軍令狀”
55. Minutes of the 2022 3<sup>rd</sup> quarterly meeting of the monetary policy committee of PBOC dated 29 September 2022

**Annexure 2 (List of Information and Documents – Public Searches)**

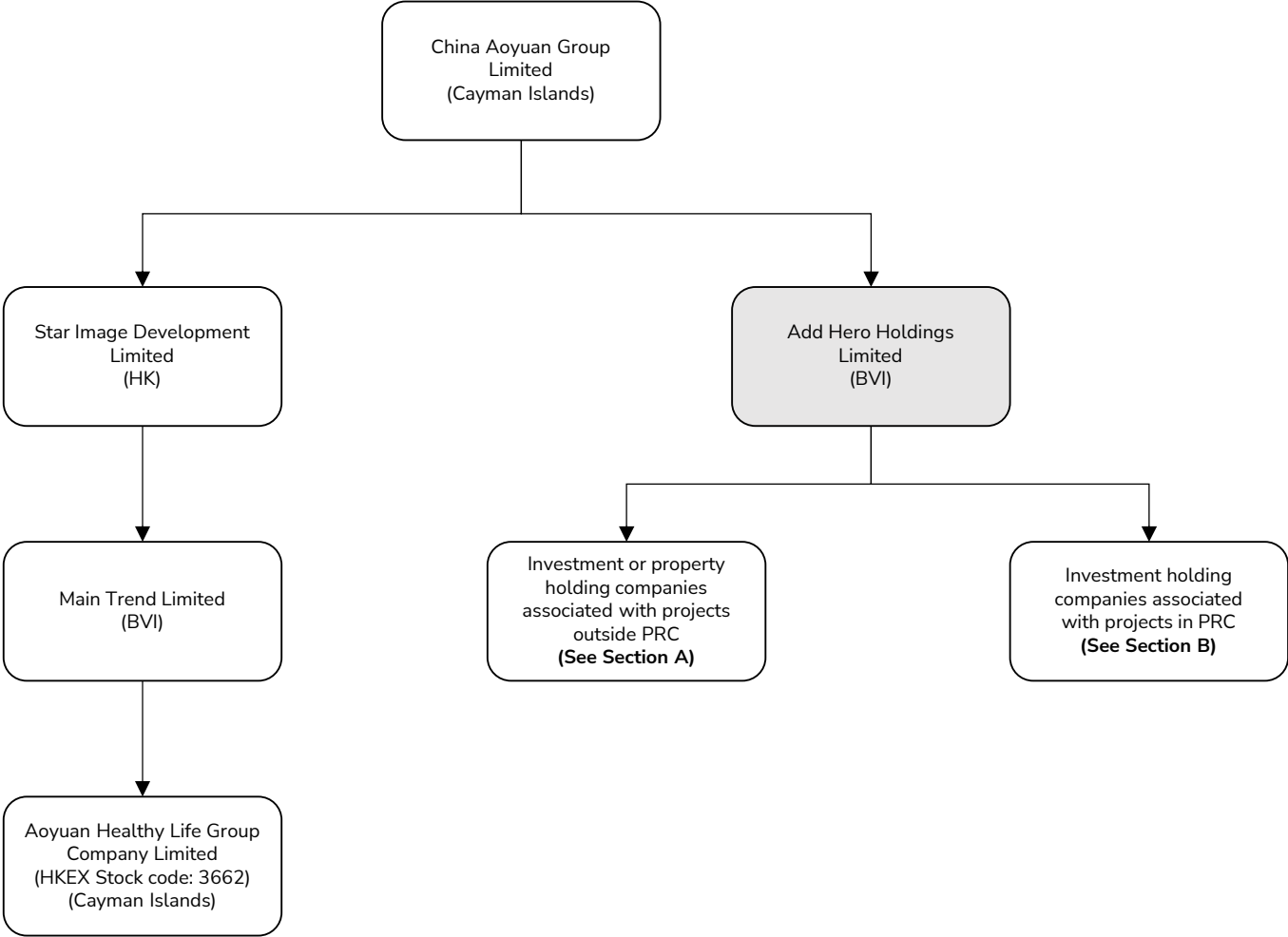
56. An article published by Financial Times dated 3 October 2022 titled “China property shares rally on policy support”
57. An article published by Wall Street Journal dated 3 October 2022 “In China’s Property Sector, There Is Nowhere to Hide”
58. An article published by Fitch Ratings dated 31 October 2022 titled “Chinese Authorities Still Face Challenges Reviving Stalled Property Projects”
59. An article published by Fitch Ratings dated 17 November 2022 titled “China’s Construction Growth to Slow on Infrastructure Moderation, Property Risk”
60. An article published by S&P Global Ratings dated 21 November 2022 titled “China Property Is Heading For A Transformation, And Maybe A Turnaround”
61. A report published by Fitch Ratings dated 23 November 2022 titled “China Property Developers Outlook 2023”
62. An article published by Reuters dated 25 November 2022 titled “Exclusive: China central bank to offer cheap loans to support developers' bonds”
63. Announcement made by the China Securities Regulatory Commission dated 28 November 2022 titled “证监会新闻发言人就资本市场支持房地产市场平稳健康发展答记者问”
64. Data released by the National Bureau of Statistics of People’s Republic of China dated 15 December 2022 and 16 February 2023 in respect of average new home prices across 70 major cities in China
65. An article published by Bloomberg dated 16 January 2023 titled “China Bad-Debt Firms Plan Property Aid of Up to \$24 Billion”
66. An article published by Reuters dated 17 July 2023 titled “China June Property Sales Fall at Fastest Clip This Year”
67. An article published by Bloomberg dated 1 August 2023 titled “China’s Home Sales Drop Most in a Year as Slowdown Worsens”
68. An article published by South China Morning Post dated 23 August 2023 titled “China’s Property Crisis is a US\$261 Billion Credit Pain for Lenders, Trust Firms and Insurers, Goldman Says”
69. An article published by Reuters dated 14 September 2023 titled “Moody's Cuts China Property Sector's Outlook to Negative”

**Annexure 2 (List of Information and Documents – Public Searches)**

70. An article published by Bloomberg dated 15 September 2023 titled “China Home Prices Drop at Faster Pace Before Fresh Stimulus”
71. An article published by the World Bank dated 1 October 2023 titled “East Asia and Pacific: Sustained Growth, Momentum Slowing”
72. An article published by Reuters dated 9 October 2023 titled “China's home sales during Golden Week fall 17% against 2022 - survey”

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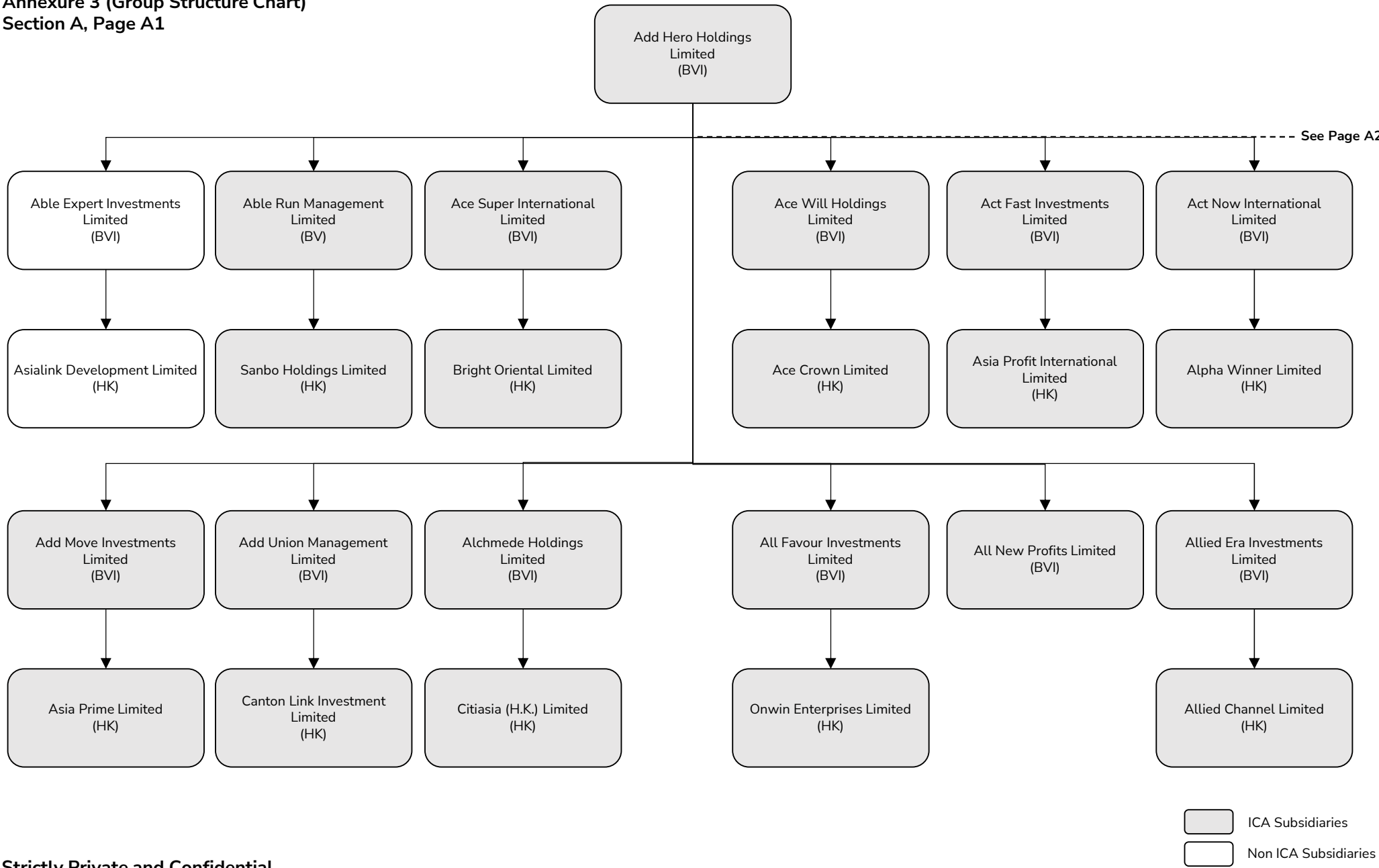
Annexure 3 (Group Structure Chart)



ICA Subsidiaries  
Non ICA Subsidiaries

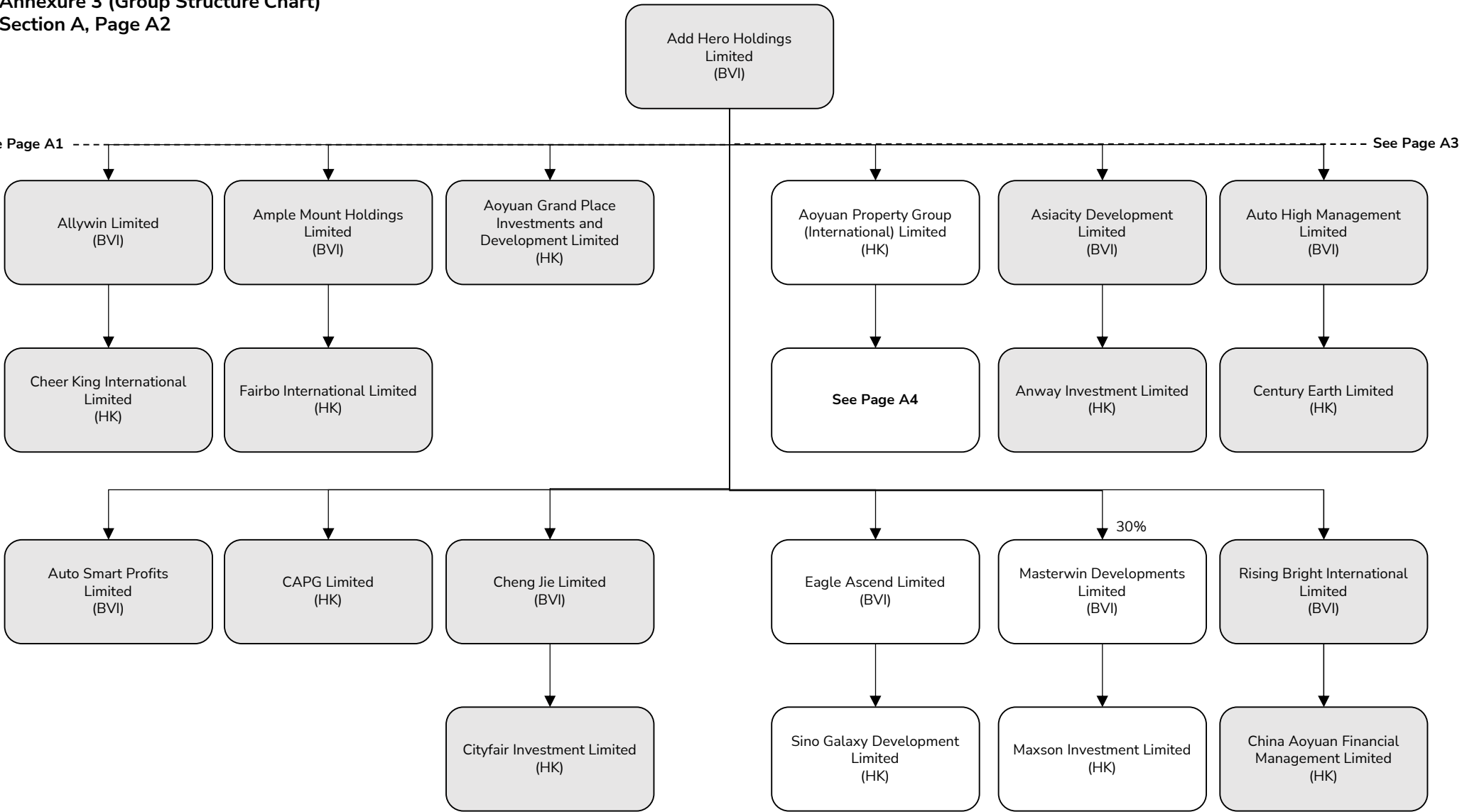
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Annexure 3 (Group Structure Chart)  
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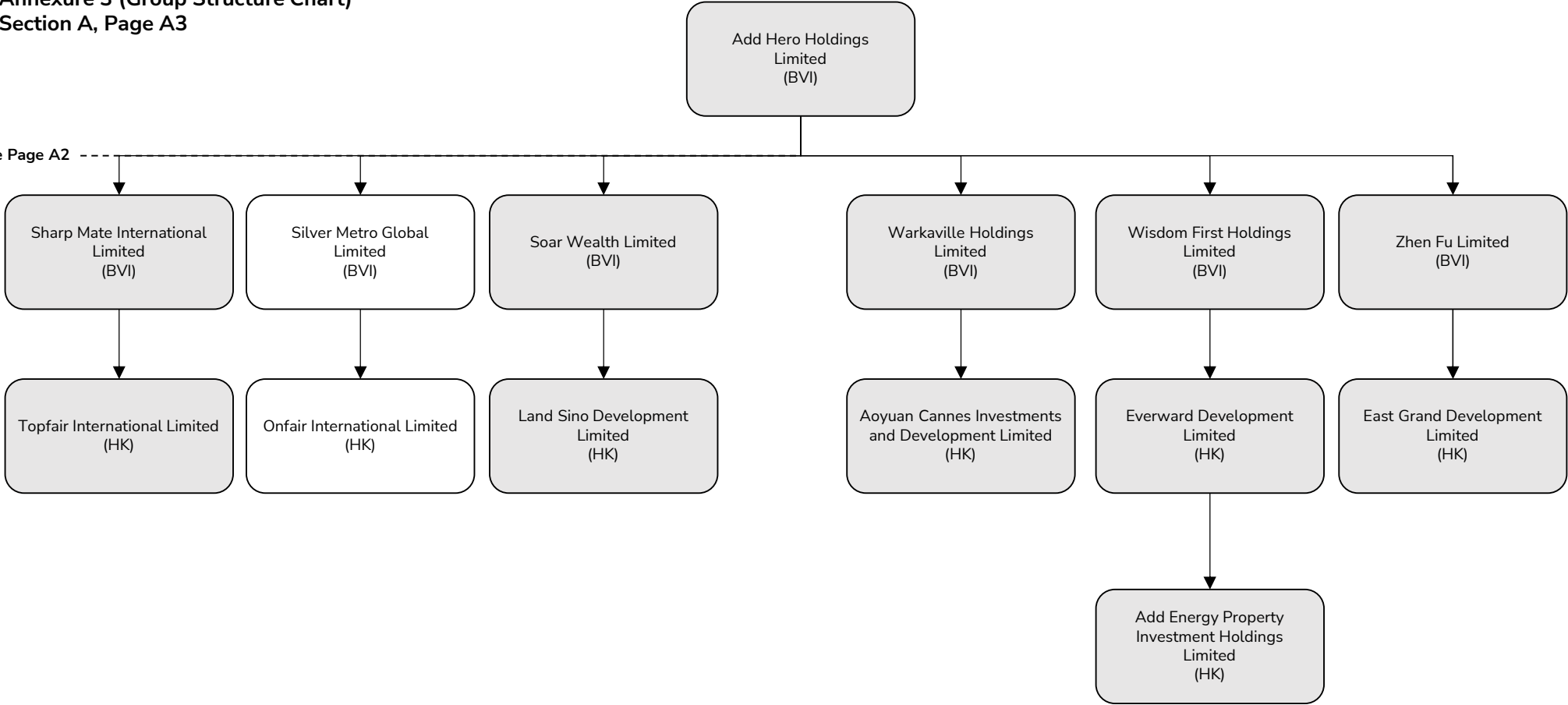
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ICA Subsidiaries  
Non ICA Subsidiaries

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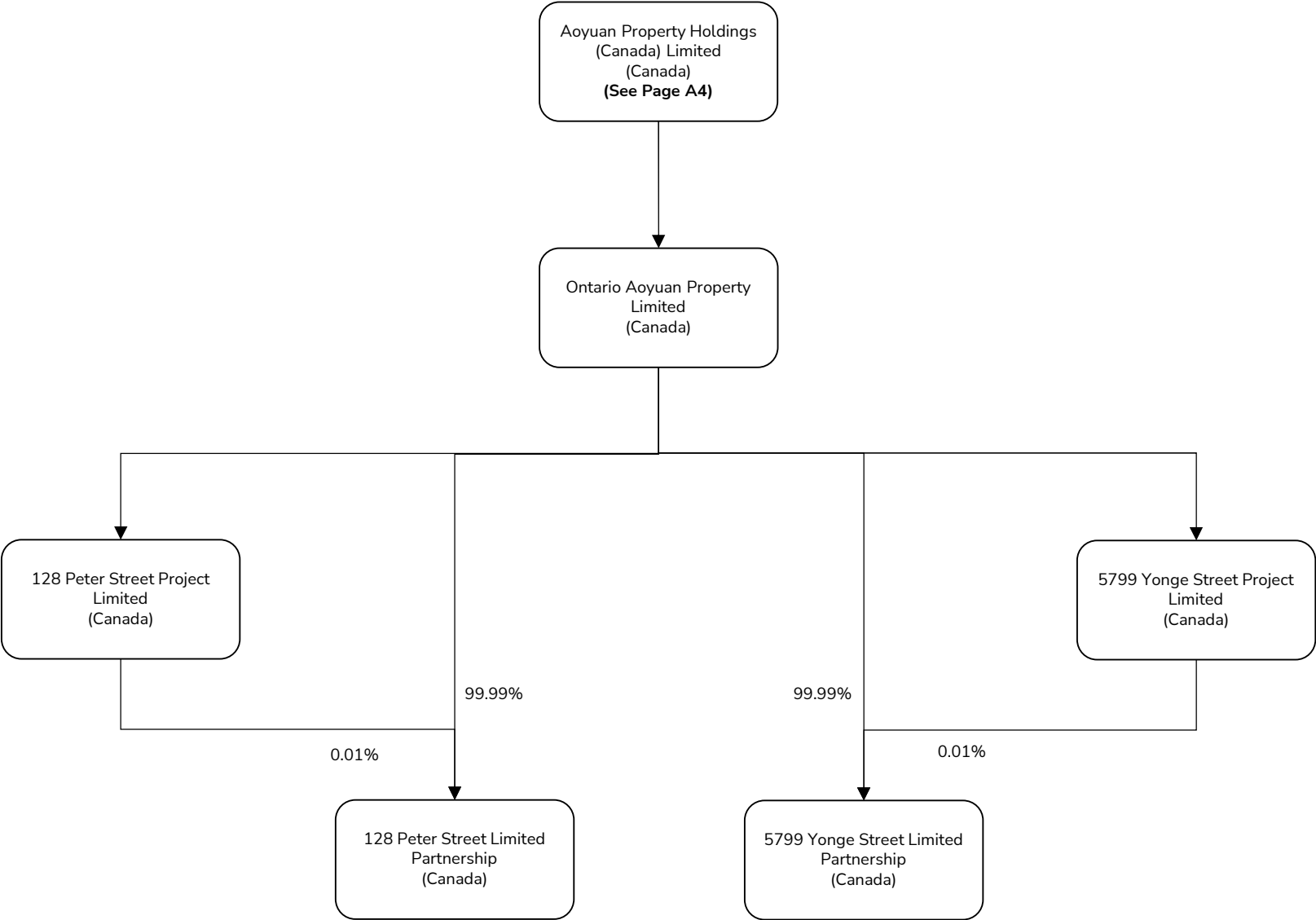
ICA Subsidiaries  
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Annexure 3 (Group Structure Chart)  
Section A, Page A4



ICA Subsidiaries  
Non ICA Subsidiaries

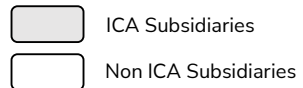
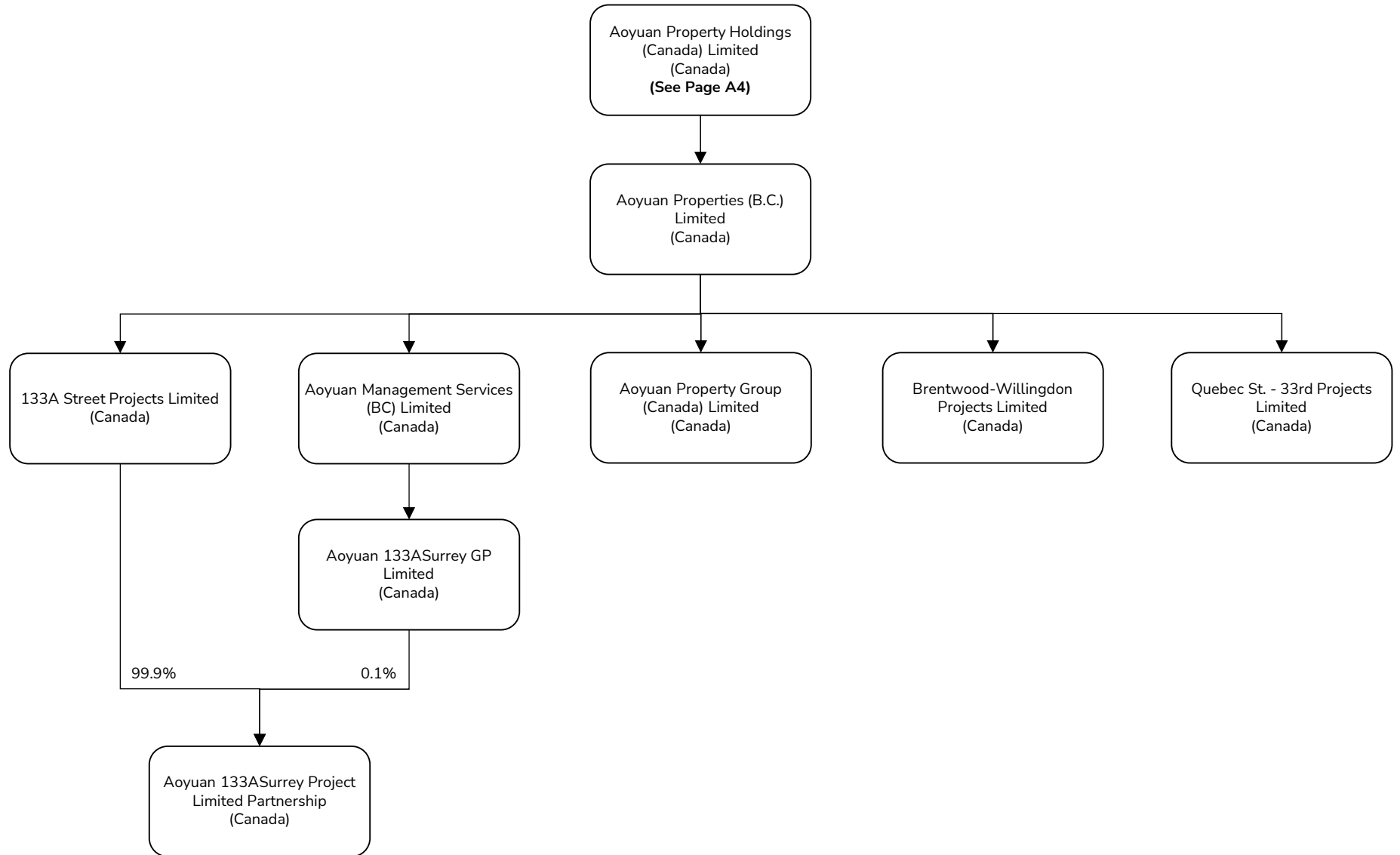


ICA Subsidiaries

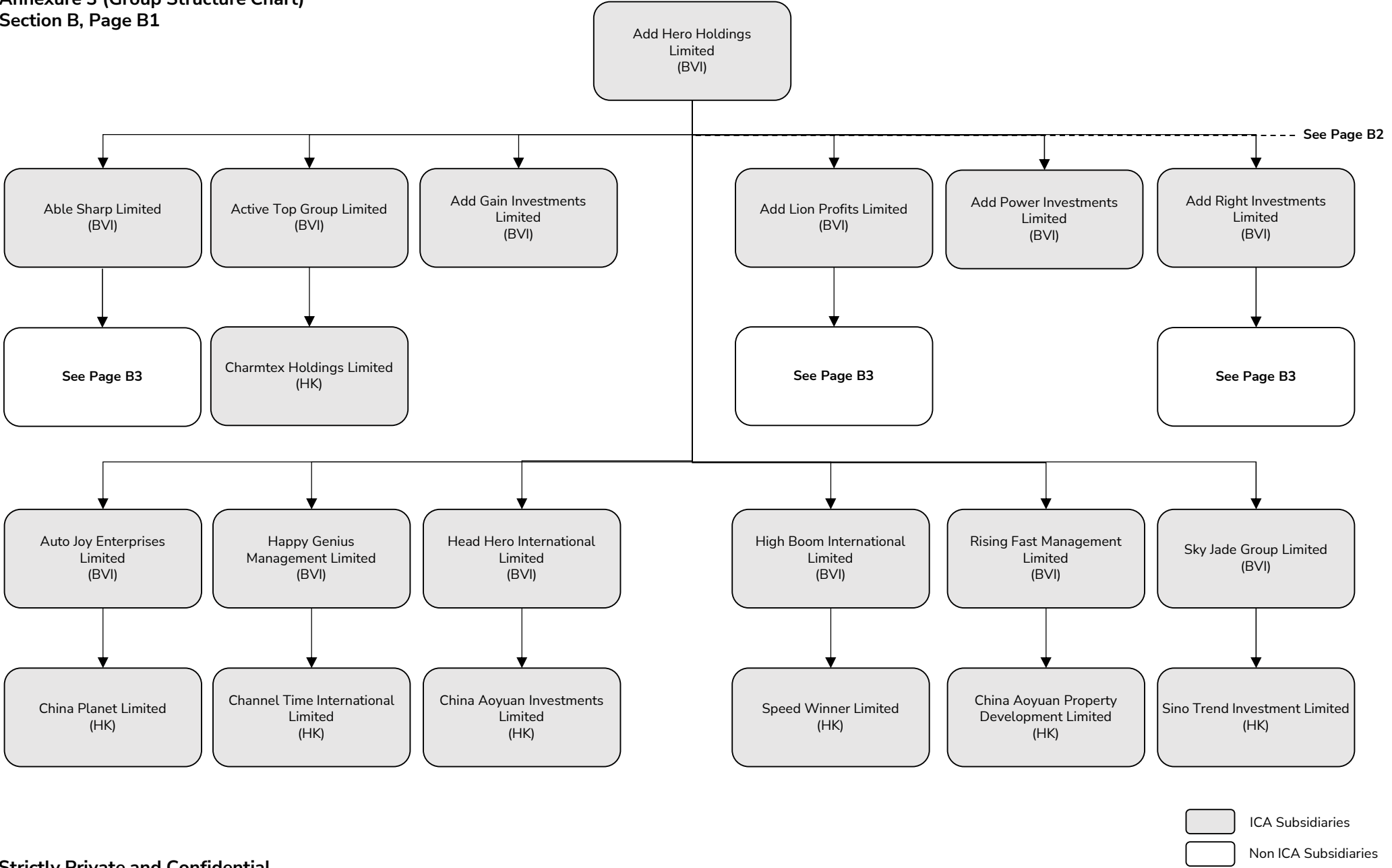
Non ICA Subsidiaries

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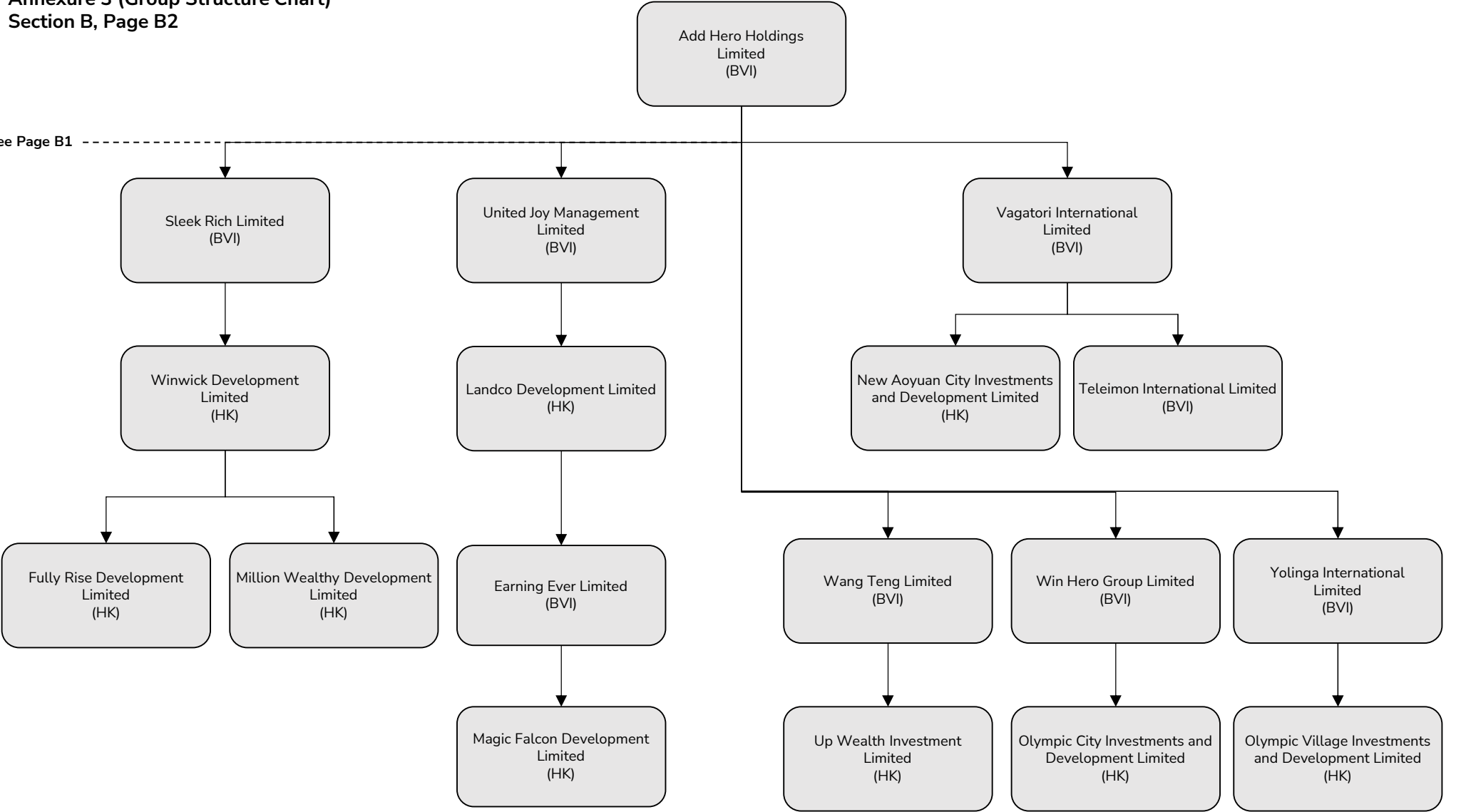
Annexure 3 (Group Structure Chart)  
Section A, Page A6



Annexure 3 (Group Structure Chart)  
Section B, Page B1



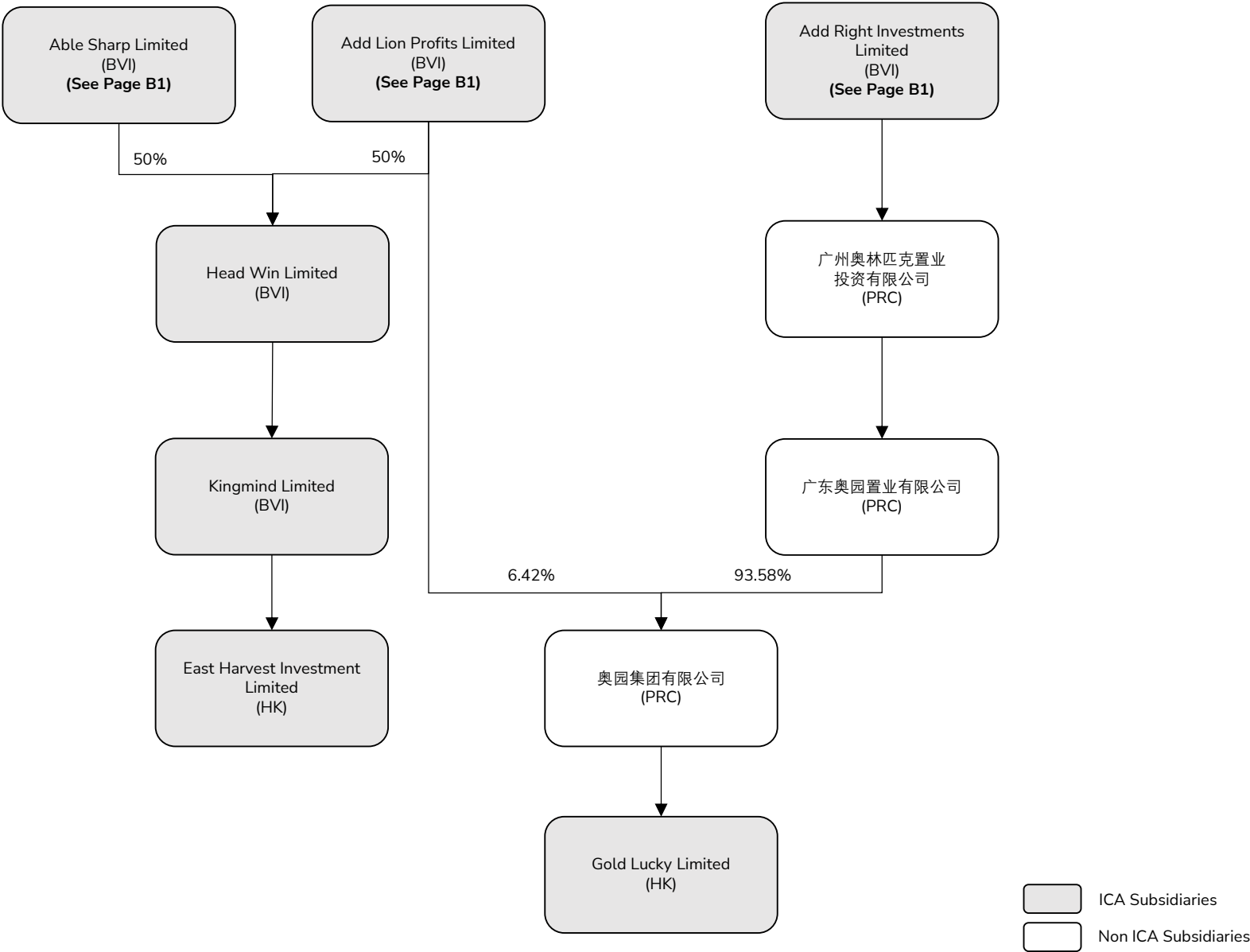
See Page B1



ICA Subsidiaries  
Non ICA Subsidiaries

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Set out below is a chronology of key events in relation to the PRC real estate industry and China Aoyuan from around June 2021 to October 2023 on the basis of publicly available information:

<b>Date</b>	<b>Events</b>
During 2021 and 2022	Policies, including the “ <i>three red lines</i> ” for property developers and the “ <i>two red lines</i> ” for lending banks, were in place in the PRC, which restricted PRC banks to provide financings to real estate companies in the PRC.
1 June 2021	At least 4 real estate developers in the PRC were reported by Debtwire to have missed bond payment(s) since July 2020.
2 June 2021	China Aoyuan announced that the Group’s property contracted sales in May 2021 were RMB11.51 billion, representing a year-on-year increase of 12%. The Group’s accumulated property contracted sales from January to May 2021 totalled RMB52.57 billion, representing an increase of 58% over the corresponding period of 2020.
15 June 2021	<p>China Aoyuan announced that China Aoyuan and certain subsidiary guarantors of China Aoyuan entered into a purchase agreement pursuant to which China Aoyuan would issue notes in the aggregate principal amount of USD200 million (to be matured on 21 June 2024) to the purchasers at an offer price of 99.217% of the principal amount of these notes.</p> <p>The covenants of these notes limit China Aoyuan’s ability and the ability of certain of its subsidiaries to, among other things, (i) incur or guarantee additional indebtedness and issue disqualified or preferred stock; (ii) declare dividends on its capital stock or purchase or redeem capital stock and (iii) sell assets.</p> <p>China Aoyuan intended to use the net proceeds of the notes to refinance the Group’s material indebtedness.</p>
30 June 2021	<p>China Aoyuan referred to its announcement dated 6 August 2020 and announced that it (and the underwriters) had determined that the issue size of its domestic corporate bonds would be RMB1.82 billion at the coupon rate of 6.8% per annum for a term of 4 years.</p> <p>China Aoyuan intended to use the proceeds from this issuance of the domestic bonds to refinance the Group’s existing indebtedness.</p>

**Strictly Private and Confidential**

Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
30 June 2021	<p>The Asia Financial reported that:</p> <ol style="list-style-type: none"> <li>1. since the second half of 2020, PRC's policies aimed at curbing real estate bubble and limiting the expansion of the PRC property developers;</li> <li>2. the growth rates in loans, trusts and bond issuance for property development in PRC were at their slowest in May 2021;</li> <li>3. in contrast with PRC property companies' increasing sales during the first 6 months in 2021, the price of their stocks had been declining. The share price of Shenzhen listed China Vanke Co Ltd had been declining for 4 months and closed at a 30-month low on 28 June 2021. The share price of Shanghai listed Poly Developments and Holdings Group Co Ltd closed at its lowest since July 2019 on 28 June 2021;</li> <li>4. PRC's property index had plummeted to a close to a 10-year low as Beijing's deleveraging reform and rising land costs put pressure on property firms' growth and profits;</li> <li>5. as of 27 June 2021, PRC's property sector was the sixth worst-performing sector of PRC's 28 top industry sectors; and</li> <li>6. many property firms had bought back their shares or increased major shareholders' stakes in the firms in order to boost their market values. In May 2021, <i>"Binjiang Real Estate, The Wharf (Holdings) Ltd, and Central China Real Estate joined a long list of firms doing share buybacks"</i>.</li> </ol>
2 July 2021	China Aoyuan announced that the Group's property contracted sales in June 2021 were RMB15.01 billion. The Group's accumulated property contracted sales from January to June 2021 totalled RMB67.58 billion, representing an increase of 33% over the corresponding period of 2020.
5 August 2021	China Aoyuan announced that the Group's property contracted sales in July 2021 were RMB9.62 billion. The Group's accumulated property contracted sales from January to July 2021 totalled RMB77.19 billion, representing an increase of 28% over the corresponding period of 2020.



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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
27 August 2021	Reuters commented that PRC's attempts to discourage PRC property developers from excessive borrowing was spilling over into loan losses at banks and the credit markets suffered as the cash strapped developers fell into distress and that <i>"debt and land-buying curbs and hundreds of new rules are hitting developers far harder than they had expected, settling off a scramble to sell assets as well as a steady drumbeat of bankruptcies, defaults and cut-price takeover"</i> .
3 September 2021	China Aoyuan announced that the Group's property contracted sales in August 2021 were RMB10.36 billion. The Group's accumulated property contracted sales from January to August 2021 totalled RMB87.55 billion, representing an increase of 23% over the corresponding period of 2020.
14 September 2021	The Guardian reported that China Evergrande Group admitted its inability to sell properties and other assets fast enough to meet its massive US\$300 billion debts, and that China Evergrande Group's cashflow was under <i>"tremendous pressure"</i> .
27 September 2021	<p>China Aoyuan announced that it entered into a subscription agreement with Successful Lotus Limited, a company incorporated in the BVI, pursuant to which China Aoyuan conditionally agreed to allot and issue, and Successful Lotus Limited conditionally agreed to subscribe for 107,875,000 subscription shares in cash at the subscription price of HKD3.708 per share (i.e. a discount of approximately 4.43% over the closing price of the shares as at 24 September 2021, being the last trading date immediately preceding the date of the subscription agreement).</p> <p>Immediately after the completion of the subscription, Successful Lotus Limited would own 3.85% equity interest in China Aoyuan.</p> <p>The net proceeds totaling HKD399 million was intended to be used principally for the Group's working capital and general corporate purposes. All conditions were met and this transaction was completed on 8 October 2021.</p>
27 September 2021	China Aoyuan announced that it entered into a subscription agreement with Joy Pacific Group Limited, a company incorporated in the BVI holding approximately 55.61% of the total issued share capital of China Aoyuan, pursuant to which China Aoyuan conditionally agreed to allot and issue, and Joy Pacific Group Limited conditionally agreed to subscribe for 161,813,000 subscription shares in cash at the subscription price of HKD3.708 per share (i.e. a discount of approximately 4.43% over the

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
	<p>closing price of the shares as at 24 September 2021, being the last trading date immediately preceding the date of the subscription agreement).</p> <p>The net proceeds totalling HKD599 million was intended to be used principally for the Group's working capital and general corporate purposes. All conditions were met and this transaction was completed on 28 December 2021.</p>
8 October 2021	China Aoyuan announced that the Group's property contracted sales in September 2021 were RMB10.95 billion. The Group's accumulated property contracted sales from January to September 2021 totalled RMB98.50 billion, representing an increase of 18% over the corresponding period of 2020.
12 October 2021	China Aoyuan announced that Aoyuan Group Company Limited ("Aoyuan Group"), its wholly owned subsidiary in PRC, which issued domestic bonds due on 8 October 2021, redeemed the domestic bonds in full at their outstanding principal amount of RMB1.5 billion together with interest accrued to the maturity date.
15 October 2021	Standard & Poor's downgraded China Aoyuan from B+ to B.
15 October 2021	<p>Allianz published the following comments in respect of PRC's economy:</p> <ol style="list-style-type: none"> <li>1. housing activity in PRC would remain weak and further defaults among real estate developers could be expected, even though policymakers had the means and intention to avoid a systemic crisis; and</li> <li>2. risks remained tilted to the downside and much relies on policy coordination and reactivity to help PRC economy navigate the multiple crunches that were occurring at the same time. The main domestic risk came from the real estate sector deteriorating further in a long lasting way, with spillover impact on other section of the PRC economy.</li> </ol>
3 November 2021	Fitch downgraded China Aoyuan from BB to B+.

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

<b>Date</b>	<b>Events</b>
5 November 2021	Moody's downgraded China Aoyuan from B1 to B2.
8 November 2021	China Aoyuan announced that the Group's property contracted sales in October 2021 were RMB10.13 billion. The Group's accumulated property contracted sales from January to October 2021 totalled RMB108.63 billion, representing an increase of 10% over the corresponding period of 2020.
14 November 2021	China Aoyuan announced that Aoyuan Property (Hong Kong) Limited, a wholly owned subsidiary of China Aoyuan, entered into agreement to sell, inter alia, its interest in 3 property holding companies, namely Mingwan Investments Limited, Double Bliss Investments Limited and Prestige Well Investments Limited, at a consideration of HKD900 million. China Aoyuan expected to recognise a loss of approximately HKD176.6 million from this transaction, which represents the difference of the net sale proceeds and the carrying value of China Aoyuan's interest in the 3 property holding companies.
16 November 2021	Standard & Poor's downgraded China Aoyuan from B to CCC.
19 November 2021	Fitch downgraded China Aoyuan from B+ to B-.
22 November 2021	Moody's downgraded China Aoyuan from B2 to Caa2.
22 November 2021	<p>China Aoyuan announced that Aoyuan Corporation (Group) Limited, an indirect wholly owned subsidiary of China Aoyuan, obtained approval from holders of Aochuang II asset-backed securities ("ABS") on 19 November 2021 to extend the redemption date of the approximately RMB816 million ABS. The ABS were originally due on 22 November 2021.</p> <p>China Aoyuan also announced that it had engaged Admiralty Harbour Capital Limited as its financial adviser and Linklaters as its legal advisor to assess the Group's capital structure, financial condition and debt and liquidity profiles, and to engage with creditors to pursue a transparent dialogue in respect of matters of common interest.</p>
24 November 2021	Fitch downgraded China Aoyuan from B- to CCC-.

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
24 November 2021	Debtwire reported that at a meeting of creditors organised by China Aoyuan, the creditors of RMB522.5 million asset backed notes approved an extension proposal in order to avoid the potential impact of a default on China Aoyuan's business operations.
25 November 2021	<p>Debtwire reported that holders of USD150 million notes issued by King World Holding Limited via Rainmaker Solutions agreed to extend repayments to June 2022 from the initially extended repayment date of 19 November 2021. The note is backed by a loan guaranteed by China Aoyuan.</p> <p>According to Debtwire, documents to effect the above repayment extension had not been signed by 22 November 2022. Holders of the notes exercised their right to be immediately prepaid by China Aoyuan. China Aoyuan's public notes also fell 3 to 4 points as a result of credit ratings downgrade by Fitch.</p>
1 December 2021	Debtwire reported that Aoyuan Group reached an agreement with SWS MU Fund Management Co., Ltd over the settlement of an outstanding amount in relation to an onshore trust product totalling RMB66 million. The amount was due on 12 November 2021 and Aoyuan Group announced that it would settle the amount overdue shortly.
2 December 2021	<p>China Aoyuan announced an extension of the redemption date for ABS, and an agreement with a lender regarding the extension of the term of a RMB78 million entrusted loan.</p> <p>China Aoyuan also announced that:</p> <ol style="list-style-type: none"> <li>1. it had received notice from creditors in respect of financings that had an aggregate principal amount of approximately USD651.2 million under which China Aoyuan and members of the Group are a borrower or a guarantor demanding payment as a result of ratings downgrades. China Aoyuan had not made any such payments as at the date of this announcement or reached an agreement with respect to alternative payment arrangements with the relevant creditors;</li> </ol>

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
	<ol style="list-style-type: none"> <li>2. these non-payments may trigger the possible acceleration of the repayment in respect of certain other offshore financing arrangements of the Group, whereby the relevant creditors may have the right to demand payment of the indebtedness and/or take action pursuant to the terms of their respective financing arrangements; and</li> <li>3. given the liquidity issues faced by the Group, there is no guarantee that the Group would be able to meet its financial obligations under its other offshore financing arrangements as and when they fall due. If the Group is unable to meet its obligations to repay any debt when due or to agree with its relevant creditors on the renewal or extension of its borrowings or alternative arrangements, there may be a material adverse effect on the Group's business, prospects, financial condition and operating results.</li> </ol>
18 November 2021	<p>Reuters reported that:</p> <ol style="list-style-type: none"> <li>1. China Evergrande Group was selling the 18% stake in Heng Ten Group (0136.HK) at a loss of HKD8.5 billion; and</li> <li>2. China Evergrande Group's wholly owned subsidiary entered into an agreement with Allied Resources Investment Holdings Ltd to sell 1.66 billion shares in Heng Ten Group at a discount of 24%.</li> </ol>
9 December 2021	Fitch downgraded Evergrande from C to RD (Restricted Default) after Evergrande missed payments on its offshore bonds.
7 December 2021	China Aoyuan announced that the Group's property contracted sales in November 2021 were RMB7.15 billion. The Group's accumulated property contracted sales from January to November 2021 totalled RMB115.78 billion, representing an increase of 2% over the corresponding period of 2020.
7 December 2021	Fitch downgraded China Aoyuan from CCC- to C.
22 December 2021	The World Bank expected PRC's real GDP growth to reach 8% in 2021 before moderating it to 5.1% in 2022 due to less favorable base effects, diminishing support from exports, and the government's continued deleveraging efforts. The bank

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Date	Events
	warned an increased downside risks to PRC's economic outlook, including renewed domestic Covid outbreaks and a severe and prolonged downturn in the highly leveraged property sector.
28 December 2021	<p>China Aoyuan announced that it and its wholly owned subsidiary, Happy Team Investments Limited, were served a writ of summons together with an indorsement of claim issued on 23 December 2021 in the Court of First Instance of the High Court of Hong Kong by Citibank, N.A. and Nine Masts Investment Fund for repayment of a debt of USD131,014,770 together with interest accrued and costs.</p> <p>The claim arose from certain alleged events of default under a credit agreement (including but not limited to non-payment events disclosed in China Aoyuan's announcement dated 2 December 2021) whereby China Aoyuan and Happy Team Investments Limited are the guarantor and borrower of the debt respectively.</p>
17 January 2022	<p>ABC News reported that in spite of PRC's economy growth by 8.1% in 2021, there was an abrupt slowdown in the second half of 2021 – growth sank to 4% in Q4 2021 as compared to Q4 2020.</p> <p>The slowdown in the second half of 2021 was largely attributable to tightening controls on borrowing by PRC real estate developers and financial difficulties facing them. Smaller developers have collapsed or defaulted on debts. Big developers (such as China Evergrande Group) were struggling to avoid defaulting on debts.</p>
17 January 2022	Debtwire reported that Jinghan Property Group Co., Ltd. ("Jinghan Property"), an indirect wholly owned subsidiary of China Aoyuan, failed to repay its financing plans, with overdue principal totaling RMB172.76 million (USD27.21 million) as of 9 January 2023. Aoyuan Beauty Valley Technology Co., Ltd., another subsidiary of China Aoyuan, announced that it agreed to provide guarantee to Jinghan Property for its financing plans totaling RMB770 million, of which a RMB152.64 million quota had not been used.
19 January 2022	China Aoyuan announced that the Group's accumulated property contracted sales from January to December 2021 totalled RMB121.03 billion, representing a decline of 9% as compared to 2020.

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**Liquidation Analysis**

**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
	<p>China Aoyuan also announced that:</p> <ol style="list-style-type: none"> <li>the continued market downturn and the dampening of purchasers' confidence have caused difficulties for the Group to realise its inventories and dispose of its assets on reasonable terms. Despite this backdrop, the development and progress in respect of the majority of the Group's property projects had remained on schedule and the Group continued to focus on completing and delivering its projects and reducing its operational expenses;</li> <li>China Aoyuan had been actively exploring potential opportunities of asset disposal and to engage with strategic investors to create liquidity for, and alleviate or resolve debt issues of, the Group;</li> <li>in order to preserve its limited cash resources and maintain fairness among all of its creditors pending a holistic debt restructuring, China Aoyuan would not make any payment of (i) the remaining principal and the last installment of interest of the 4.2% senior notes due 20 January 2022 and the 8.5% senior notes due 23 January 2022, (ii) the latest installment of interest under the 7.35% senior notes due June 2023 and 7.95% senior notes due June 2024. Having given careful consideration to its liquidity and in order to preserve its limited cash resources and maintain fairness among all of its creditors pending a holistic debt restructuring, China Aoyuan intended to adopt the same principle in respect of its other offshore financial indebtedness;</li> <li>events of default will occur (or have occurred) under all other offshore financial indebtedness of the Group. The outstanding amount of the Group's financial indebtedness as recorded in the interim report of China Aoyuan for the 6 months ended 30 June 2021 totalled RMB111.3 billion; and</li> <li>China Aoyuan had been working with its advisors to formulate a restructuring proposal aiming to treat all creditors and other stakeholders fairly according to their position in the capital structure of the Group.</li> </ol>
21 January 2022	Fitch downgraded China Aoyuan from C to RD (restricted default).

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

Date	Events
21 January 2022	Debtwire reported that China Citic Bank International Limited filed a debt recovery lawsuit in the Hong Kong High Court against China Aoyuan over a HKD117 million revolving loan. Despite demand letters, China Aoyuan failed to repay the HKD108 million in principal and accrued interest owed on the loan. In addition to the HKD108 million, the bank was seeking default interest and costs.
26 January 2022	China Aoyuan announced that Deloitte Touche Tohmatsu (“Deloitte”) resigned as the auditor of China Aoyuan with effect from 25 January 2022 as Deloitte was unable to reach a consensus with China Aoyuan on the audit fee for the audit of the consolidated financial statements of the Group for the year ended 31 December 2021 in light of, inter alia, the additional audit procedures to be performed by Deloitte in relation to the liquidity issues faced by the Group. China Aoyuan resolved to appoint Shinewing (HK) CPA Limited as its auditor with effect from 26 January 2022.
26 January 2022	<p>China Aoyuan announced that Brentwood-Willingdon Projects Limited, an indirect wholly owned subsidiary of China Aoyuan, and Anthem Properties Group Limited entered into an offer to purchase, pursuant to which Brentwood-Willingdon Projects Limited conditionally agreed to sell and Anthem Properties Group Limited conditionally agreed to purchase a property located in British Columbia, Canada at a consideration of CAD215 million.</p> <p>The Group expected to recognise an estimated gain of approximately CAD15.3 million from this transaction.</p>
11 February 2022	China Aoyuan announced that the Group's property contracted sales in January 2022 approximated RMB1.92 billion, representing a decline of 81% over the corresponding period of 2021.
February 2022	<p>KPMG published, inter alia, the following observations in respect of the PRC economy:</p> <ol style="list-style-type: none"> <li>domestic consumption remained weak and growth of retail sales growth slowed to 1.7% in December 2021, the slowing pace since August 2020. New Covid cases had led to tightened quarantine measures in some areas. With a series of major events taking place in 2022 such as the Beijing Winter Olympics, National People's Congress and the 20th Party Congress, KPMG expected pandemic control measures to remain tight in the near future. The recovery of domestic consumption was likely to be gradual and will be subject to pandemic evolution; and</li> </ol>



Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
	2. the real estate market continued to face pressure. New property sales fell 17% and property dropped 29% from a year ago in the fourth quarter of 2021. The PRC government applied some marginal easing measures to support the housing market, such as accelerating mortgage approvals and increasing bank loans to the property sector. However, KPMG expected the overall regulatory tone of “housing is for living in, not for speculation” to remain in place.
9 March 2022	Kingfa Sci. & Tech. Co., Ltd filed a lawsuit against Aoyuan Capital Investment Group Limited and Aoyuan Group, wholly owned subsidiaries of China Aoyuan, in respect of a dispute in sale of shares of Guangdong KingAo Commercial Factoring Co Ltd. Aoyuan Capital Investment Group Limited had not made the scheduled payment totalling RMB756.45 million pursuant to the shares transfer agreement entered into with Kingfa Sci. & Tech Co., Ltd on 24 November 2021.
11 March 2022	China Aoyuan announced that the Group’s property contracted sales in February 2022 were RMB1.58 billion. The Group’s accumulated property contracted sales from January to February 2022 totalled RMB3.50 billion, representing a decline of 91% over the corresponding period of 2021.
11 March 2022	Moody's commented that: (i) tight funding conditions and sizable refinancing needs for the rest of 2022 would continue to pressure developers' liquidity and increase the number of defaults, (ii) since the start of 2021, there had been defaults by 15 PRC developers, including 6 so far this year (iii) the defaults were largely driven by the deterioration in the funding access for the property sector that became prevalent in the second half of 2021. PRC developers continued to face trouble accessing fundings, particularly at companies with large offshore debt exposure and limited liquidity buffers.
25 March 2022	China Aoyuan announced that: <ul style="list-style-type: none"> <li>1. given the liquidity issued faced by the Group, it had been actively engaged in discussion with potential investors in relation to a recapitalisation as part of the implementation of a debt restructuring. As at the date of this announcement, the Group had not entered into any legally binding agreement with any such investor; and</li> <li>2. in the event that China Aoyuan is unable to publish the 2021 annual results on or before 31 March 2022, trading in the shares of China Aoyuan on the HKEX will be suspended with effect from 9 am on 1 April 2022.</li> </ul>

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**Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)**

<b>Date</b>	<b>Events</b>
29 March 2022	The Shanghai Municipal Health Commission in the PRC announced that parts of Shanghai would be under lockdown and undergo city-wide testing from 28 March 2022.
1 April 2022	Trading in China Aoyuan's shares on HKEX was suspended in light of its delay in publishing the 2021 annual results.
11 April 2022	China Aoyuan announced that the Group's property contracted sales in March 2022 were RMB4.46 billion. The Group's accumulated property contracted sales from January to March 2022 totalled RMB7.96 billion, representing a decline of 73% over the corresponding period of 2021.
13 April 2022	Bloomberg reported that due to PRC's strict Covid policies and locking down of its economic hub, Shanghai, commodities import and transportation have all taken a hit.
14 April 2022	<p>Debtwire reported that China Aoyuan was working on a preliminary restructuring proposal for offshore bonds, which may include a debt-to-equity swap and a haircut. China Aoyuan aimed to present the restructuring proposal to offshore bondholders by late April or early May.</p> <p>2 state-owned entities had been invited as potential strategic investors for China Aoyuan, but due diligence may take more time due to pandemic measures in China.</p>
29 April 2022	China Aoyuan announced that it would be unable to publish its 2021 annual results and dispatch its 2021 annual report by 30 April 2022. The company's auditor was still preparing the results, and the Board was working to publish and dispatch them as soon as possible. Trading of China Aoyuan's shares on HKEX would continue to be suspended until further notice.
12 May 2022	China Aoyuan announced that the Group's property contracted sales in April 2022 were RMB1.56 billion. The Group's accumulated property contracted sales from January to April 2022 totalled RMB9.52 billion, representing a decline of 77% over the corresponding period of 2021.
12 May 2022	Starting from 12 May 2022, all public transport in Beijing were suspended and commute from suburbs was discouraged.

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Date	Events
8 June 2022	<p>The World Bank published the following economic update in respect of PRC:</p> <ol style="list-style-type: none"> <li>1. PRC's economy was projected to slow in 2022, due to the Covid outbreak and the prolonged lockdown in parts of the PRC from March to May in 2022. The World Bank projected PRC's real GDP growth to slow sharply to 4.3% in 2022 (0.8% points lower than projected in December 2021). Growth momentum was expected to rebound in the second half of 2022, helped by aggressive policy stimulus to mitigate the economic downturn;</li> <li>2. risks to PRC's growth were unevenly balanced and downside risks prevail: the Covid outbreak could lead to more prolonged economic disruptions. Risk could also stem from persistent stress in the real estate sector with wider economy-wide consequences. If the Covid pandemic could be brought under control and domestic restrictions could be fully lifted, full year growth could be higher than projected;</li> <li>3. in the short term, PRC was facing the dual challenge of balancing Covid mitigation with supporting economic growth: while PRC had the macroeconomic space to counter the growth slowdown, the dilemma facing decisions makers was how to make the policy stimulus effective, as long as mobility restrictions persist. Recurrent Covid outbreaks were adding to economic uncertainty, weighing on private investment and consumption and reducing the effectiveness of policy measures; and</li> <li>4. there is a danger that PRC remained tied to the old playbook of boosting growth through debt-financed infrastructure and real estate investment. Such a growth model is ultimately unsustainable and the indebtedness of many corporates and local governments was already too high.</li> </ol>
9 June 2022	<p>China Aoyuan announced that the Group's property contracted sales in May 2022 were RMB2.39 billion. The Group's accumulated property contracted sales from January to May 2022 totalled RMB11.91 billion, representing a decline of 77% over the corresponding period of 2021.</p>

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Date	Events
16 June 2022	<p>CNBC reported that:</p> <ol style="list-style-type: none"> <li>1. PRC's new home price in May 2022 fell for the second month in 2022;</li> <li>2. average new home prices in 70 major cities in PRC dropped 0.1% on a month-on-month basis after a 0.2% decline in April 2022;</li> <li>3. year-on-year growth has eased since May 2021 due to a slowing economy, tight mortgage disbursement and as sentiment weakened amid a liquidity crisis that led to some high-profile loan defaults by developers;</li> <li>4. PRC's property sector deteriorated further in recent months; and</li> <li>5. in January to May 2022, property sales by floor area sank 16.8% from a year earlier in the PRC capital.</li> </ol>
23 June 2022	<p>China Aoyuan announced that Grand First Holdings Limited ("Vendor 1"), an indirectly wholly owned subsidiary of China Aoyuan, and Company B (Aust) Pty Limited ACN 658 173 687 ("Purchaser B") entered into a share sale deed, pursuant to which Vendor 1 agreed to sell and Purchaser B agreed to purchase Aoyuan Property Group (Australia) Pty Ltd ("APGA") shares, representing 49% of the issued share capital of APGA at the consideration of AUD1 in cash.</p> <p>Vendor 1 and Silver Mako Pty Limited ACN 658 173 614 ("Purchaser A") also entered into a share sale deed, pursuant to which Vendor 1 agreed to sell and Purchaser A agreed to purchase A.C.N. 657 824 701 Pty Ltd ACN 657 824 701 ("Company A") shares, representing 100% of the issued share capital of Company A at the consideration of AUD1 in cash.</p> <p>As 1 of the conditions precedent to the completion of the above transactions, Vendor 1 would assign shareholder loans to Purchaser A and in return Vendor 1 would receive AUD105 million in cash from APGA.</p>

Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
	Upon completion of the above transactions, China Aoyuan would indirectly hold 51% in APGA and cease to hold any interest in Company A. All the conditions precedent under the above share sale deeds had been fulfilled and completion of the transaction took place on 8 August 2022.
27 June 2022	Aoyuan Group announced that it had received approval for 3 proposals regarding its “21Aoyuanzhai” bonds from bondholders. The proposals include, inter alia, an exemption of the notice period requirement for convening the bondholders meeting and an adjustment of the interest repayment for the period from 2 July 2021 to 1 July 2022.
30 June 2022	China Aoyuan announced that: <ol style="list-style-type: none"> <li>1. it had received trading resumption guidance from HKEX (“Resumption Guidance”) including, inter alia, publishing all outstanding financial results required under the Listing Rules, addressing any audit modifications and demonstrating that there is no reasonable regulatory concern about management integrity and/or the integrity of any persons with substantial influence over China Aoyuan’s management and operations, which may pose a risk to investors and damage market confidence;</li> <li>2. it engaged KPMG Advisory (China) Limited to conduct an independent business review of the Group and to evaluate and analyse the potential restructuring plan;</li> <li>3. it had continued its discussion with potential investors in relation to a recapitalisation as part of the implementation of a debt restructuring. The Group still had not entered into any legally binding agreement with any such investor; and</li> <li>4. trading in its shares on HKEX has been suspended pending the publication for the 2021 annual results.</li> </ol>
30 June 2022	China Index Academy reported that sales of properties of the top 100 property developers in PRC during the first 6 months in 2022 declined by approximately 49% as compared to the first 6 months in 2021.

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Date	Events
11 July 2022	China Aoyuan announced that the Group's property contracted sales in June 2022 were RMB3.01 billion. The Group's accumulated property contracted sales from January to June 2022 totalled RMB14.92 billion, representing a decline of 78% over the corresponding period of 2021.
14 July 2022	<p>The Standard reported that <i>"homebuyers have stopped mortgage payments on at least 100 projects in more than 50 cities as of Wednesday, according to researcher China Real Estate Information Corp. This's up from 58 projects on Tuesday and only 28 on Monday, according to Jefferies Financial Group Inc."</i></p> <p>The delayed projects made up about 1% of China's total mortgage balance, according to Jefferies Financial Group Inc. Should the buyers default, that would lead to a RMB388 billion (USD58 billion) increase in non-performing loans.</p>
15 July 2022	BBC News reported that PRC's economy contracted sharply in the second quarter of this year as widespread coronavirus lockdowns hit businesses and consumers. GDP fell by 2.6% in the 3 months to the end of June from the previous quarter during which major cities across PRC, including the major financial and manufacturing centre Shanghai, were put into full or partial lockdowns. Many analysts did not expect a quick economic recovery for China as the government continued with its strict zero Covid approaching to slowing the spread of the coronavirus.
19 July 2022	<p>South China Morning Post reported that the value of defaults in the PRC this year had already exceeded USD20 billion which had already doubled the total defaults of 2021 of USD9 billion. PRC property developers accounted for most of these defaults.</p> <p>South China Morning Post also cited:</p> <ol style="list-style-type: none"> <li>1. deputy head of research at ICBC International that <i>"Uncertainties will linger on in the remainder of the year or even next year. Improvement may come, but will take a longer time to materialise"</i>; and</li> <li>2. director of S&amp;P Global Rating that <i>"While we believe the policy crackdown on China's property sector has bottomed, the down cycle has further to go, considering the rocky sales, weak sentiment and deteriorating financing conditions faced"</i></li> </ol>

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Date	Events
	<i>by developers” and that “We don’t expect the housing market to recover any time soon. As such, the potential for default remains high”.</i>
25 July 2022	NOWnews reported that: <ol style="list-style-type: none"> <li>1. oversupply by the PRC real estate developers left a large number of unfinished buildings in the PRC;</li> <li>2. the deterioration of PRC real estate sector might have an impact on PRC’s financial system; and</li> <li>3. PRC’s annual fiscal gap may widen to RMB6 trillion.</li> </ol>
26 July 2022	Guancha reported that the PRC State Council approved a plan to set up a national fund which would be used to support 12 real estate companies that have encountered liquidity difficulties (including China Aoyuan), as well as other local real estate companies.
28 July 2022	BBC News reported that almost 1 million people in a suburb of Wuhan had been placed under lockdown after 4 asymptomatic Covid cases were detected.
29 July 2022	Aoyuan Group announced that holders of its "20Aoyuan02" bonds approved 3 proposals regarding the bonds, including an adjustment to the interest repayment due on 6 August 2022.
28 July 2022	At the meeting of Politburo of the Chinese Communist Party, President Xi Jinping stated that: <ol style="list-style-type: none"> <li>1. the Chinese government must stabilise the real estate market and reiterated that <i>“houses are for living in, not for speculation”</i>;</li> <li>2. local governments should take the responsibility to ensure the completion and delivery of property development projects in PRC; and</li> </ol>

Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
	3. PRC would adhere to its rigid Covid strategy until 2023.
1 August 2022	As at 31 July 2022, at least 39 real estate developers in the PRC, including China Aoyuan, were reported to have missed bond payment(s) since July 2020.
1 August 2022	<p>CNBC reported that the loss in confidence in PRC property sector could feed into a contagion that would further drag down the wider economy and that land sales, which made up a dominant portion of provincial government revenue, had fallen 30% in the past year.</p> <p>CNBC also quoted CreditSights that <i>“China’s property market is in difficulty, still, despite all the easing measures and asset values are still falling, especially in the lower tier regions as well. So it’s going to be very difficult to rebuild confidence”</i>.</p>
2 August 2022	<p>Forbes reported that China Evergrande Group’s creditors were facing even dimmer prospects of ever getting their money back, as PRC’s real estate crisis spread and claims on the developer’s assets continued to pile up.</p> <p>Cash-strapped property firms, including Evergrande, Kaisa, Sunac and others, had suspended construction on pre-sold homes across more than 90 Chinese cities.</p>
5 August 2022	<p>China Aoyuan announced that:</p> <ol style="list-style-type: none"> <li>1. nearly 90% of the Group’s real estate projects were progressing according to schedule;</li> <li>2. the Group entered into contractual arrangements with certain onshore financial institutions to extend the maturity of existing onshore financing arrangements of over RMB20 billion in principal amount. The Group was also in further negotiations with its onshore creditors regarding the extension of the maturity date under other onshore financing arrangements; and</li> </ol>



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Date	Events
	3. given the liquidity issues faced by the Group, it had been actively engaged in discussions with potential investors in relation to a recapitalization as part of the implementation of a debt restructuring. As at the date of this announcement, the Group had not entered into any legally binding agreement with any such investor.
7 August 2022	BBC News reported that PRC authorities cancelled all flights and trains from Sanya, known as “ <i>China’s Hawaii</i> ” on Saturday, a day after 263 positive cases were confirmed. The lockdown of Sanya meant that travelers must now present negative PCR tests over seven days before being allowed to leave. PRC was the only major economy to still follow a “zero Covid” policy and there were concerns about the impact of the strict rules, including mass testing and local lockdowns, on the economy.
10 August 2022	China Aoyuan announced that the Group’s property contracted sales in July 2022 were RMB1.09 billion. The Group’s accumulated property contracted sales from January to July 2022 totalled RMB16.01 billion, representing a decline of 79% over the corresponding period of 2021.
14 August 2022	<p>Bloomberg reported that PRC’s home prices fell for an 11<sup>th</sup> month in July 2022, underscoring how government relief efforts are failing to control PRC’s real estate crisis.</p> <p>According to Bloomberg, within 4 weeks in July 2022, more than 320 projects in about 100 cities were facing payment boycotts. Earlier in August 2022, more than a dozen developers in a central Chinese province sought help from their local governments to restore property sales.</p>
16 August 2022	Aoyuan Group announced that its “19Aoyuan02” bonds would enter into trading suspension from 17 August 2022 due to uncertainties in the schedule for payment of principal and interest.
24 August 2022	Bloomberg reported that PRC was probing a number of executives at state owned real estate companies, signaling an expansion of the government’s crackdown on misconduct. The latest probes could signal authorities were widening the campaign to include the property sector, which was already suffering from slowdown that was hurting the world’s second largest economy.

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Date	Events
1 September 2022	China Aoyuan announced that the publication of its 2022 interim results would be delayed, and its share trading on HKEX would continue to be suspended until further notice. China Aoyuan was still preparing its 2021 annual results, and it was expected that the 2022 interim results and the 2022 interim report would not be ready for publication by the required dates under the Listing Rules.
8 September 2022	Bloomberg reported that PBOC tried to revive the demand for property loans by cutting the 5-year loan prime rate by 15 basis points in August 2022 to 4.30% in response to drop in the overall bank lending to the real estate sector in PRC in the second quarter of 2022, which fell to USD7.8 trillion and was the first drop since 2011.
9 September 2022	China Aoyuan announced that the Group's property contracted sales in August 2022 were RMB1.24 billion. The Group's accumulated property contracted sales from January to August 2022 totalled RMB17.25 billion, representing a decline of 80% over the corresponding period of 2021.
12 September 2022	<p>The Economist reported that:</p> <ol style="list-style-type: none"> <li>1. in December 2021, the “<i>three red lines</i>” caused a cash crunch for Evergrande and led to default by Evergrande on an offshore bond and other key players of the real estate industry were also at risk of default;</li> <li>2. homebuyers are refusing to pay for mortgage in fear of homes that would remain unfinished;</li> <li>3. policymakers repeatedly cut mortgage rates since mid May 2022;</li> <li>4. local governments were encouraged by regulators to create bailout funds to invest in unfinished housing projects and deliver homes. The PBOC and the Ministry of Finance would back special loans from state directed policy banks to finish pre-sold homes; and</li> <li>5. the central government was providing full guarantee to bond issuance by privately owned developers (“POEs”) to shift risks to the state and deliver liquidity to higher quality developers.</li> </ol>

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Date	Events
14 September 2022	Aoyuan Group announced that it received approval from bondholders for proposals regarding its “19Aoyuan02” bonds, including adjustments to the repayment of the bonds and adding credit enhancement measures. Aoyuan Group would pledge assets to guarantee repayment, and the payment of the principal of the bonds would be made on 3 September 2023.
23 September 2022	<p>The Paper reported that municipal governments in PRC announced various policies, including:</p> <ol style="list-style-type: none"> <li>1. previously suspended construction works at development sites shall be fully resumed;</li> <li>2. developers and the government shall prioritise the timely completion and delivery of property development projects and closely monitor the status of construction and delivery;</li> <li>3. government shall implement one-to-one oversight of individual development projects to ensure that the issues faced by each project were resolved promptly;</li> <li>4. developers shall set up designated project bank account to deposit all proceeds from home sales and the bank account shall be monitored by regulators; and</li> <li>5. government and asset management companies (“AMCs”) shall establish funds to relieve the liquidity crunch faced by problem developers.</li> </ol>
29 September 2022	PBOC announced that it would use policy tools to encourage special loan optimisation and provide guidance to banks to support financing needs to promote stable development of the real estate industry, while also protecting the legal rights of home buyers to promote a steady development in the housing market.
30 September 2022	China Aoyuan announced that the timing for the release of the 2021 annual results and the 2022 interim results was yet to be confirmed.

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Date	Events
	<p>China Aoyuan was still in the process of devising a plan to satisfy the requirements under the Resumption Guidance. Trading of China Aoyuan shares continued to be suspended.</p> <p>Further, the Group entered into contractual arrangements with certain onshore financial institutions to extend the maturity of existing onshore financing arrangements of over RMB23 billion (USD3.2 billion) in principal amount.</p>
3 October 2022	Financial Times reported that Chinese policymakers implemented several measures to optimise the PRC's housing market, including launching bailout funds and special loans for developers, lowering interest rates for housing provident fund loans, and offering tax incentives for homebuyers. The measures were intended to encourage property purchases and support demand and were expected to boost the housing market in the fourth quarter.
7 October 2022	China Aoyuan announced that the Group's property contracted sales in September 2022 were RMB1.05 billion. The Group's accumulated property contracted sales from January to September 2022 totalled RMB18.30 billion, representing a decline of 81% over the corresponding period of 2021.
19 October 2022	<p>Wall Street Journal reported that:</p> <ol style="list-style-type: none"> <li>1. PRC's residential housing sales fell 30% year-over-year in the first 8 months this year based on official data. According to Fitch, 81 POEs reported a median year-over-year decline of 59% in contracted sales in the first half of 2022, compared with a 38% drop for 45 SOEs; and</li> <li>2. because home buyers were worried of developers' ability to deliver apartments, they stayed away from many private developers, leading to a vicious cycle of even worse sales. Such developers then need to decide between using dwindling cash flow to finish projects or repay debt.</li> </ol>
31 October 2022	Fitch predicted that PRC's property market stress would continue to negatively impact construction activity, despite recent improvements in housing delivery data. Infrastructure projects were expected to be the key growth driver for the construction sector, with policy support likely to remain in place until 2023. While housing project delivery had increased in recent months,

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Date	Events
	the floor area of newly started housing projects and housing projects under construction had been declining, indicating a sustained depression in the housing construction market.
10 November 2022	China Aoyuan announced that the Group's property contracted sales in October 2022 were RMB0.9 billion. The Group's accumulated property contracted sales from January to October 2022 totalled RMB19.20 billion, representing a decline of 82% over the corresponding period of 2021.
17 November 2022	Fitch predicted that PRC's engineering and construction sector growth would slow down in 2023 due to a deceleration in fixed-asset investment and uncertainties surrounding economic and property policies. The credit profiles of POEs were expected to be more vulnerable than SOEs which were better positioned to cope with challenges due to their market leadership, infrastructure exposure, diversification, and strong funding access. Fitch stated that engineering and construction companies were mostly SOEs that play an important role in building strategically critical infrastructure.
21 November 2022	Standard & Poor's reported that the rise of SOEs in PRC would transform the property development sector, making it less financially innovative and less engaged with offshore bond markets. The decline of POEs was leading to a smaller and more stable property market dominated by SOEs, who would use leverage less aggressively and be less likely to cause price bubbles. Recent government policies would target SOEs and viable private entities, leaving less sound POEs to fight for survival.
23 November 2022	<p>Fitch reported that:</p> <ol style="list-style-type: none"> <li>1. broad-based monetary stimulus which helped the PRC property sector to recover from severe downturns in 2008 to 2009 and 2014 to 2015 may not be as effective to resolve the current crisis as the central government has remained committed to the "<i>homes are for living, not for speculation</i>" principle, which may have resulted in a more measured and selective approach in supporting the sector;</li> <li>2. PRC developers had around USD52 billion of offshore public bonds and RMB500 billion of domestic capital market debt maturing and puttable in 2023. The current difficult funding environment for PRC developers would likely persist;</li> </ol>

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Date	Events
	<p>3. market confidence remained fragile, and uncertainty surrounding developers' ability to deliver quality homes on schedule remained a primary market concern and the central government remained committed to the "<i>homes are for living, not for speculation</i>" principle;</p> <p>4. the absence of a broad based stimulus could lead to more protracted housing recession especially across most lower tier cities; and</p> <p>5. offshore capital markets were likely to remain closed for most private developers, while rising US rates meant that even the stronger state developers would unlikely be active issuers. POE's inability to access the capital market had been a critical factor that perpetuated the current crisis of confidence within the sector.</p>
25 November 2022	Reuters reported that PBOC planned to offer cheap loans to financial companies to purchase bonds issued by property developers, in an effort to restore market confidence in the heavily indebted property sector. The interest rate on PBOC loans could be much lower than the benchmark interest rate, and PBOC was also preparing a list of systemically important developers that would get wider support from the central government to shore up their balance sheets.
29 November 2022	The PRC Securities Regulatory Commission announced 5 measures to facilitate equity financing for PRC developers, including the resumption of merger and acquisition deals and equity financing, reinstatement of refinancing, adjustment of overseas listing plans, optimisation of real estate investment trusts, and a pilot program for real estate private equity investment funds. These measures would take effect immediately.
1 December 2022	China Aoyuan announced that the Group's property contracted sales in November 2022 were RMB0.86 billion. The Group's accumulated property contracted sales from January to November 2022 totalling RMB19.88 billion, representing a decline of 83% over the corresponding period of 2021.
15 December 2022	According to data released by the PRC National Bureau of Statistics, new home prices across 70 major cities in PRC dropped 1.6% year-on-year in November 2022, with 51 of those cities reporting a month-on-month drop in prices.

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Date	Events
30 December 2022	<p>China Aoyuan announced that the timing for the release of the 2021 annual results and the 2022 interim results was yet to be confirmed.</p> <p>China Aoyuan was in discussion with the Group's major offshore creditors on the terms of a proposed standstill arrangement in respect of the material indebtedness of the Group ("Proposed Standstill Arrangement"). If implemented, the Proposed Standstill Arrangement would provide the Group with a stable platform whilst negotiations with its major offshore creditors on the terms of a holistic restructuring were ongoing.</p> <p>The Group signed contractual arrangements with onshore financial institutions to extend the maturity of existing onshore financing arrangements of over RMB27 billion in principal amount. The Group was also in further negotiations with its onshore creditors regarding the extension of the maturity date under other onshore financing arrangements. The Group maintained an ongoing dialogue with potential investors in relation to a recapitalisation as part of the implementation of a consensual debt restructuring. As at the date of this announcement, the Group had not entered into any legally binding agreement with any such investor.</p> <p>China Aoyuan was still in the process of devising a plan to satisfy the requirements under the Resumption Guidance. Trading of China Aoyuan shares continued to be suspended.</p>
31 December 2022	<p>Guangzhou Intermediate People's Court ruled that Aoyuan Capital Investment Group Limited shall pay the outstanding balance of RMB389 million to Kingfa Sci. &amp; Tech. Co., Ltd in respect of the sale of equity interest in Guangdong Jinao Commercial Factoring.</p>
6 January 2023	<p>Reuters quoted the following opinions from economists and analysis in respect of the PRC real estate industry:</p> <ol style="list-style-type: none"> <li>1. UBS chief China economist – <i>"for 2023, we expect a sequential rebound in both sales and property new starts, as property policies continue to ease, and re-opening after COVID leads to a rebound in economic activity and household income"</i> and <i>"although property sales will likely be slightly weaker than in 2022, property will be much less of a drag on the economy than in 2022"</i>;</li> </ol>

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Date	Events
	<p>2. China Index Academy – “new-home sales rose more than 20% over the three-day New Year holiday from a year-ago due to promotions, support policies and the gradual release of pent-up demand after high COVID-19 cases”; and</p> <p>3. a Reuters survey of 8 economists and analysts – “property sales are expected to slip by a median of 8% this year, compared to a slump of around 25% in 2022, as economic activity, household income and consumer confidence are seen rebounding in the second half”.</p>
12 January 2023	China Aoyuan announced that the Group’s property contracted sales in December 2022 were RMB0.34 billion. The Group’s accumulated property contracted sales from January to December 2022 totalled RMB20.22 billion, representing a decline of 83% over the corresponding period of 2021.
17 January 2023	Bloomberg reported that PBOC and PRC’s largest bad-debt management firms were planning to lend up to RMB160 billion (USD24 billion) to high-quality developers in order to help them resolve and prevent relevant industry risks. PBOC would provide RMB80 billion of loans at an annual interest of 1.75% to selected developers via AMCs such as China Huarong Asset Management. PBOC would also encourage the AMCs to provide the same amount from their own funds.
3 February 2023	<p>China Aoyuan announced that Guangdong Aoyuan Commercial Real Estate Group Limited (“Vendor 2”), an onshore indirectly wholly owned subsidiary of China Aoyuan, and Shandong Yiyang Health Group Real Estate (Group) Co., Ltd. (“Purchaser 2”) entered into a sale and purchase agreement, pursuant to which Vendor 2 agreed to sell and Purchaser 2 agreed to purchase 55% equity interest in Zhuhai Aoyuan Huafu Property Company Limited (“Zhuhai Aoyuan Huafu”) at a consideration of RMB535.7million in cash.</p> <p>Guangdong Aoyuan City Renewal Group Company Limited (“Vendor 3”), an onshore, indirect and non wholly owned subsidiary of China Aoyuan, and Purchaser 2 entered into a sale and purchase agreement, pursuant to which Vendor 3 agreed to sell and Purchaser 2 agreed to purchase 5% equity interest in Zhuhai Aoyuan Huafu at a consideration of RMB48.7 million in cash.</p> <p>The total consideration for the above disposals was RMB584.4 million.</p>



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Date	Events
	<p>Upon completion of the above transactions, Zhuhai Aoyuan Huaifu would cease to be a subsidiary of China Aoyuan.</p> <p>The net proceeds would be used to repay certain project loans and for continuous investment in the project. China Aoyuan expected to recognise an estimated loss of approximately RMB312.5 million (USD46.4 million) from the disposal.</p>
16 February 2023	According to data released by the PRC National Bureau of Statistics, new home prices in 70 major cities in PRC dropped 1.5% year-on-year in January, with 33 of those cities reporting a month-on-month drop in prices.
16 February 2023	<p>China Aoyuan announced that Main Trend Limited ("Vendor 4"), an offshore wholly owned subsidiary of China Aoyuan, and Best Discovery International Limited ("Purchaser"), entered into a sale and purchase agreement, pursuant to which Vendor 4 agreed to sell and the Purchaser agreed to purchase 217,148,750 Aoyuan Healthy Life shares, representing 29.9% of the issued share capital of Aoyuan Healthy Life, at a consideration of HKD256 million in cash, subject to condition precedents set out in the sale and purchase agreement, including the trading resumption of Aoyuan Healthy Life's shares on HKEX.</p> <p>The sale intended to reduce the Group's indebtedness and facilitate offshore debt restructuring.</p>
27 February 2023	Aoyuan Group announced that its "19Aoyuan02" bonds would resume trading from 28 February 2023.
28 February 2023	China Aoyuan announced that an ad hoc group of holders of certain Existing Public Notes provided their in-principle agreement in writing in connection with a non-legally binding term sheet which outlined the key terms of the Proposed Standstill Arrangement.
27 March 2023, 31 March 2023 and 6 April 2023	China Aoyuan announced that it had entered into several standstill agreements with certain offshore creditors in respect of its Existing Public Notes, Existing Private Notes (which were guaranteed by China Aoyuan) and certain offshore financing arrangements. The objective of the standstill agreements is to provide stability to the offshore operations of the Group and to preserve value of the Group for all creditors and to provide a stable platform to facilitate negotiations with a potential strategic investor based on the expected outcome of a holistic restructuring.

Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
12 June 2023	China Aoyuan announced that creditors representing the following amounts of outstanding debt had signed and/or acceded to several standstill agreements: (i) USD2,862,161,000 in respect of the Existing Public Notes, (ii) USD374,800,000 in respect of Existing Private Notes, and (iii) USD755,407,09 in respect of certain offshore financing arrangements.
2 July 2023	China Aoyuan announced that it has reached an agreement with certain significant noteholders representing over 30% of the aggregate outstanding principal amount of its Existing Public Notes in respect of the key terms of a proposed restructuring of China Aoyuan's material indebtedness.
17 July 2023	Reuters reported that the PRC's property sales by floor area and property investment declined 28.1% and 20.6% in June year-on-year respectively.
31 July 2023	China Aoyuan announced that noteholders representing over 60% of the aggregate outstanding principal amount of its Existing Public Notes have either executed or acceded to the restructuring support agreement to support the proposed restructuring of China Aoyuan's material indebtedness.
1 August 2023	Bloomberg reported that new property sales in July 2023 by the 100 biggest real estate developers in the PRC declined 33.1% year-on-year and 33.5% month-on-month, which was the largest monthly drop in 2023 and the second consecutive monthly decline.
10 August 2023	China Aoyuan announced that noteholders representing over 75.89% of the aggregate outstanding principal amount of its Existing Public Notes have either executed or acceded to the restructuring support agreement to support the proposed restructuring of China Aoyuan's material indebtedness.
23 August 2023	South China Morning Post quoted analysis by Goldman Sachs that the distress in China's property market could trigger RMB1.9 trillion of credit losses.
14 September 2023	Moody's downgraded the PRC's property sector outlook from stable to negative and advised that credit stress at Country Garden, one of the PRC's largest property developers, has amplified investors' risk aversion.

China Aoyuan Group Limited  
Liquidation Analysis

Annexure 4 (Chronology of Key Events – PRC Real Estate Industry and China Aoyuan)

Date	Events
15 September 2023	Bloomberg reported that the PRC's home prices dropped at a faster pace in August, citing the data released by the National Statistics Bureau which indicated that the average new home prices in 70 major Chinese cities fell 0.29% in August 2023 from July 2023, compared with the 0.23% decline in July 2023 from June 2023.
22 September 2023	China Aoyuan announced that it had fulfilled the resumption guidance issued by the HKEX.
25 September 2023	Trading of China Aoyuan's shares on the HKEX resumed.
1 October 2023	The World Bank changed its forecast of the PRC's economic growth in 2024 from 4.8% to 4.4%, citing " <i>weakness in the property sector</i> " as one of the persistent domestic difficulties which will weigh on growth in the PRC.
9 October 2023	Reuters reported that the PRC's average daily home sales during the Chinese Golden Week holiday decreased 17% compared with last year.

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	128 Peter Street Limited Partnership	128 Peter Street Project Limited	133A Street Projects Limited	2591260 Ontario Incorporated	2719367 Ontario Incorporated	2738147 Ontario Incorporated	5047373 Ontario Incorporated	5799 Yonge Street Limited Partnership	5799 Yonge Street Project Limited	Able Expert Investments Limited	Able Run Management Limited	Able Sharp Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	2,473,247	-	-	-	-
Property under development	60,386,259	-	-	-	-	-	-	372,782,088	-	-	-	-
Cash and cash equivalents	3,723,096	-	-	74	-	-	-	17,627,834	74	-	-	-
Restricted bank deposits	1,770,726	-	-	-	-	-	-	40,558,019	-	-	-	-
Trade and other receivables	634	-	-	-	-	-	-	15,314,288	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	1	5,484,367	-	-	-	-	-	0	-	-	4,906
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	1	7	15,145,396	-	74	7	148	-	-	-	-	96,197,197
Total Assets	65,880,717	9	20,629,763	74	74	7	148	448,755,475	74	-	-	96,202,103
Liabilities												
Bank loans	(25,823,091)	-	-	-	-	-	-	(175,594,534)	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	(88,303,628)	-	-	-	-
Trade and other payables	(13,790)	-	-	-	-	-	-	(19,904,403)	-	-	-	-
Intercompany payables	(40,225,458)	-	-	-	-	-	-	(170,870,697)	-	-	-	(86,461,341)
Total liabilities	(66,062,338)	-	-	-	-	-	-	(454,673,262)	-	-	-	(86,461,341)
Net Assets	(181,622)	9	20,629,763	74	74	7	148	(5,917,787)	74	-	-	9,740,762

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Ace Crown Limited	Ace Super International Limited	Ace Will Holdings Limited	Act Fast Investments Limited	Act Now International Limited	Active Top Group Limited	Add Energy Property Investment Holdings Limited	Add Gain Investments Limited	Add Hero Holdings Limited	Add Lion Profits Limited	Add Move Investments Limited	Add Power Investments Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	468	-	-	-	-	-	-	31,594	4,225	14,052	-	79,292
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	2,010,166	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	-	-	23,920,972	4,927,346	56,284,639	-	78,798,495
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	5,956,647	-	-	-	-	-	-	3,059	2,177,008,202	592,030,990	-	143,518,871
Total Assets	5,957,116	-	-	-	-	-	-	23,955,625	2,181,939,774	650,339,848	-	222,396,659
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	(285,580)	(43,694)	-	-
Intercompany payables	-	-	-	-	-	-	-	(29,194,338)	(2,178,009,314)	(659,467,220)	-	(228,098,484)
Total liabilities	-	-	-	-	-	-	-	(29,194,338)	(2,178,294,894)	(659,510,914)	-	(228,098,484)
Net Assets	5,957,116	-	-	-	-	-	-	(5,238,712)	3,644,880	(9,171,066)	-	(5,701,825)

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Add Right Investments Limited	Add Union Management Limited	Alchmede Holdings Limited	All Favour Investments Limited	All New Profits Limited	Allied Channel Limited	Allied East International Limited	Allied Era Investments Limited	Allywin Limited	Alpha Winner Limited	Ample Mount Holdings Limited	Anway Investment Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	466	-	-	-	44	648	-	-	-	365	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	225,429	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	3,013,075	-	0	0	-	14,106,588	-	0	0	52,960,388	0	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	248,562,617	-	98	98	-	0	-	98	98	1,283	98	-
Total Assets	251,576,158	-	98	98	225,473	14,107,237	-	98	98	52,962,036	98	-
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	(63,874)	-	-	-	-	-	-	-
Intercompany payables	(120,804,597)	-	(0)	(0)	(64,845,264)	(13,107,329)	(4,195)	(0)	(0)	(50,302,663)	(0)	(149)
Total liabilities	(120,804,597)	-	(0)	(0)	(64,909,138)	(13,107,329)	(4,195)	(0)	(0)	(50,302,663)	(0)	(149)
Net Assets	130,771,561	-	98	98	(64,683,664)	999,908	(4,195)	98	98	2,659,373	98	(149)

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Aoyuan 133ASurrey GP Limited	Aoyuan 133ASurrey Project Limited Partnership	Aoyuan 33Quebec GP Limited	Aoyuan 33Quebec Project Limited Partnership	Aoyuan 7Granville GP Limited	Aoyuan 7Granville Project Limited Partnership	Aoyuan Acquisitions (Canada) Limited	Aoyuan Cannes Investments and Development Limited	Aoyuan Grand Place Investments and Development Limited	Aoyuan Healthy Life Group Company Limited	Aoyuan Management Services (BC) Limited	Aoyuan Management Services (Canada) Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	132,510	162,261
Property under development	-	171,747,941	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	14,077,510	-	116,315	-	68,547	-	14	418,581	-	4,201,166	3,660,632
Restricted bank deposits	-	10,696,088	-	-	-	-	-	-	-	-	-	22,178
Trade and other receivables	-	4,004,873	-	-	-	-	-	-	78,346	-	44,212	85,311
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	8	-	7	-	7	-	-	-	-	-	2	148
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	-	-	-	-	-	-	74	-	10,670,190	13	-	3,422,143
Total Assets	8	200,526,411	7	116,315	7	68,547	74	14	11,167,116	13	4,377,890	7,352,673
Liabilities												
Bank loans	-	(98,419,758)	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	(29,269,222)	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	(22,532,632)	-	-	-	-	-	-	-	-	(376,423)	(509,729)
Intercompany payables	(7)	(48,772,254)	(13)	(757,508)	(13)	(6,955,308)	-	(664)	(13,466,295)	-	(3,012,197)	(7,068,254)
Total liabilities	(7)	(198,993,866)	(13)	(757,508)	(13)	(6,955,308)	-	(664)	(13,466,295)	-	(3,388,620)	(7,577,983)
Net Assets	1	1,532,545	(6)	(641,193)	(6)	(6,886,761)	74	(650)	(2,299,179)	13	989,270	(225,310)

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Aoyuan One Central Nominee Limited	Aoyuan Parking and Storage (BC) Limited	Aoyuan Properties (B.C.) Limited	Aoyuan Property (HK) Limited	Aoyuan Property Group (Canada) Limited	Aoyuan Property Group (International) Limited	Aoyuan Property Holdings (Canada) Limited	Asia Faith Holding Limited	Asia Prime Limited	Asia Profit International Limited	Asiacity Development Limited	Asialink Development Limited
<b>Assets</b>												
Property, plant and equipment	-	-	-	-	-	30,445	28,420	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	2,123	56,981	73,370,893	3,246,906	-	1,009	6,966	-	128,876
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	663,504	25,069	-	-	-	-	401
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	700,924	8	7,130,015	3	148	-	52,958,464	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	1	-	-	7,251,255	700,913	76,885,887	44,510,854	-	300,888	-	-	19,945,979
<b>Total Assets</b>	<b>1</b>	<b>-</b>	<b>700,924</b>	<b>7,253,385</b>	<b>7,887,909</b>	<b>150,950,732</b>	<b>47,811,397</b>	<b>-</b>	<b>53,260,362</b>	<b>6,966</b>	<b>-</b>	<b>20,075,256</b>
<b>Liabilities</b>												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	(103,183)	(151,968)	-	-	-	-	-
Intercompany payables	-	(975)	(732,939)	(85,678,702)	(619,133)	(155,466,962)	(48,076,693)	(512)	(50,302,210)	(395)	-	(18,487,757)
<b>Total liabilities</b>	<b>-</b>	<b>(975)</b>	<b>(732,939)</b>	<b>(85,678,702)</b>	<b>(619,133)</b>	<b>(155,570,145)</b>	<b>(48,228,661)</b>	<b>(512)</b>	<b>(50,302,210)</b>	<b>(395)</b>	<b>-</b>	<b>(18,487,757)</b>
<b>Net Assets</b>	<b>1</b>	<b>(975)</b>	<b>(32,015)</b>	<b>(78,425,316)</b>	<b>7,268,776</b>	<b>(4,619,413)</b>	<b>(417,264)</b>	<b>(512)</b>	<b>2,958,152</b>	<b>6,571</b>	<b>-</b>	<b>1,587,499</b>



Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Auto High Management Limited	Auto Joy Enterprises Limited	Auto Smart Profits Limited	Best Extreme Limited	Bestwide Investment Limited	Brentwood- Willingdon Projects Limited	Bright Oriental Limited	Bright Prompt Limited	Canton Link Investment Limited	CAPG Limited	Capital Benefit Limited	Century Earth Limited
<b>Assets</b>												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	85	-
Property under development	-	-	-	-	-	-	-	40,575	-	-	120,331,855	-
Cash and cash equivalents	-	-	29	-	-	1,891,257	1,048	-	-	-	29,845	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	109,987	-	282,765	-	-	358,375	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	0	0	-	-	-	-	-	-	-	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	98	98	-	-	35,560	14,650,061	3,220,426	20,150	37,972	-	43,406,505	1,030
<b>Total Assets</b>	<b>98</b>	<b>98</b>	<b>29</b>	<b>-</b>	<b>35,560</b>	<b>16,651,306</b>	<b>3,221,475</b>	<b>343,490</b>	<b>37,972</b>	<b>-</b>	<b>164,126,665</b>	<b>1,030</b>
<b>Liabilities</b>												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	(139,076)	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	(123,812)	-
Intercompany payables	(0)	(0)	(67,148)	(49)	-	(14,490,877)	(633,878)	(343,962)	-	-	(98,651,964)	-
<b>Total liabilities</b>	<b>(0)</b>	<b>(0)</b>	<b>(67,148)</b>	<b>(49)</b>	<b>-</b>	<b>(14,490,877)</b>	<b>(633,878)</b>	<b>(343,962)</b>	<b>-</b>	<b>-</b>	<b>(98,914,852)</b>	<b>-</b>
<b>Net Assets</b>	<b>98</b>	<b>98</b>	<b>(67,119)</b>	<b>(49)</b>	<b>35,560</b>	<b>2,160,429</b>	<b>2,587,597</b>	<b>(471)</b>	<b>37,972</b>	<b>-</b>	<b>65,211,812</b>	<b>1,030</b>

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Channel Time International Limited	Charmtex Holdings Limited	Cheer King International Limited	Cheerful Trade Global Limited	Cheng Jie Limited	China Aoyuan Financial Management Limited	China Aoyuan International Development Limited	China Aoyuan Investments Limited	China Aoyuan Property Development Limited	China Planet Limited	Citiasia (H.K.) Limited	Cityfair Investment Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	758	544	584	-	-	13	-	8,675	522	388	721	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	33,479,348	514,086	-	0	-	-	-	71,791,632	29,502,459	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	3,482	641	2,641,850	1	-	-	67,864,588	0	5,387	117,594	7,055	-
Total Assets	33,483,588	515,271	2,642,434	1	-	13	67,864,588	71,800,307	29,508,368	117,983	7,776	-
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany payables	(34,002,571)	(501,302)	-	(0)	-	(554)	(67,864,588)	(69,221,990)	(27,223,363)	-	(953,583)	-
Total liabilities	(34,002,571)	(501,302)	-	(0)	-	(554)	(67,864,588)	(69,221,990)	(27,223,363)	-	(953,583)	-
Net Assets	(518,983)	13,968	2,642,434	1	-	(541)	-	2,578,317	2,285,005	117,983	(945,808)	-

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Cloud Dragon Global Limited	Creation Max Limited	Delight Scene International Limited	Dragon Peak Developments Limited	Eagle Ascend Limited	Earning Ever Limited	East Grand Development Limited	East Harvest Investment Limited	Eminent Faith Investments Limited	Everward Development Limited	Fairbo International Limited	Fairgold Enterprises Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	13	-	9,309	-	13	472	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	11,792,705	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	0	0	-	-	92,932,975	0	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	-	1	-	-	1	2,757,894	-	151,018,461	1	-	498,941	-
Total Assets	-	1	11,792,705	0	1	2,757,907	-	243,960,745	1	13	499,412	-
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	(7,038)	-	-	-	-
Intercompany payables	(2,182)	(236)	(11,793,154)	(2,084)	(0)	(0)	-	(245,558,958)	(0)	(501)	-	(104)
Total liabilities	(2,182)	(236)	(11,793,154)	(2,084)	(0)	(0)	-	(245,565,996)	(0)	(501)	-	(104)
Net Assets	(2,182)	(235)	(449)	(2,084)	1	2,757,907	-	(1,605,251)	1	(489)	499,412	(104)

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Fame Beyond Limited	Fine Wisdom Global Limited	Finest Gold Global Limited	First Gold (H.K.) Limited	Fully Rise Development Limited	Glorious Beauty Holdings Limited	Glorious Rise Enterprises Limited	Glory East Investment Limited	Gold Bright International Limited	Gold Lucky Limited	Goldtech Investment Limited	Good Hero Holdings Limited
Assets												
Property, plant and equipment	-	-	-	183,490	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	113,308	-	-	-	-	-	-	-	1,935	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	32,353	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	86,257,991	-	-	3,871,392	-	-	-	-	-	-	0
Financial assets	-	-	-	-	-	2,909,715	-	-	-	-	-	-
Intercompany receivables	209	84,617,598	1	-	33,732,548	40,650	1	-	-	10,798,098	0	0
Total Assets	209	170,988,897	1	183,490	37,636,293	2,950,364	1	-	-	10,800,033	0	0
Liabilities												
Bank loans	-	(69,079,849)	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	(6,376,345)	-	-	-	-	-	-	-	-	-	-
Intercompany payables	(209)	(105,106,686)	(1,183)	(531,934)	(37,518,053)	(3,206,573)	(1)	(160)	(106)	-	(145,604)	(0)
Total liabilities	(209)	(180,562,879)	(1,183)	(531,934)	(37,518,053)	(3,206,573)	(1)	(160)	(106)	-	(145,604)	(0)
Net Assets	-	(9,573,982)	(1,182)	(348,444)	118,240	(256,209)	-	(160)	(106)	10,800,033	(145,604)	0

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Grand First Holdings Limited	Grand Gold (H.K.) Limited	Grand Harbour Trading Limited	Great Capital Holdings Limited	Happy Genius Management Limited	Head Hero International Limited	Head Win Limited	High Boom International Limited	Keng Fu Limited	Kingmind Limited	Land Sino Development Limited	Landco Development Limited
<b>Assets</b>												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	2,155	-	-	-	-	-	-	-	-	-	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	170,497	-	-	-	-	-	-	-	-	100,793	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	0	1	-	-	0	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	98,505,374	5,129,186	-	-	-	98	96,206,532	-	-	250,389,190	-	241,548
<b>Total Assets</b>	<b>98,678,026</b>	<b>5,129,186</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>98</b>	<b>96,206,533</b>	<b>-</b>	<b>-</b>	<b>250,489,983</b>	<b>-</b>	<b>241,548</b>
<b>Liabilities</b>												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany payables	(302,692,919)	(5,128,987)	-	(197)	-	(0)	(96,197,197)	-	-	(257,990,600)	-	(2)
<b>Total liabilities</b>	<b>(302,692,919)</b>	<b>(5,128,987)</b>	<b>-</b>	<b>(197)</b>	<b>-</b>	<b>(0)</b>	<b>(96,197,197)</b>	<b>-</b>	<b>-</b>	<b>(257,990,600)</b>	<b>-</b>	<b>(2)</b>
<b>Net Assets</b>	<b>(204,014,893)</b>	<b>199</b>	<b>-</b>	<b>(197)</b>	<b>-</b>	<b>98</b>	<b>9,336</b>	<b>-</b>	<b>-</b>	<b>(7,500,617)</b>	<b>-</b>	<b>241,546</b>

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	M2M Phase 2 Limited Partnership	Magic Falcon Development Limited	Main Trend Limited	Main Vision Enterprises Limited	Maingain Investment Limited	Masterwin Developments Limited	Maxson Investment Limited	Metro Mind Limited	Million Wealthy Development Limited	New Aoyuan City Investments and Development Limited	Olympic City Investments and Development Limited	Olympic Village Investments and Development Limited
<b>Assets</b>												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	642,951	-	-	-	-	-	-	13	719	14
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	31,521	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	94,261,030	-	-	-	-	-	0	3,600,346	-	10,337,995	25,844,988
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	9	0	15,476,967	0	422,054,966	0	55,368	1	8,662,711	-	261	-
<b>Total Assets</b>	<b>9</b>	<b>94,261,030</b>	<b>16,119,918</b>	<b>0</b>	<b>422,054,966</b>	<b>0</b>	<b>55,368</b>	<b>1</b>	<b>12,294,578</b>	<b>13</b>	<b>10,338,975</b>	<b>25,845,001</b>
<b>Liabilities</b>												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	(641,315)	-	-	-	-	-	-	-	-	-
Intercompany payables	-	(90,165,566)	-	(107)	(429,324,920)	(0)	-	(0)	(12,184,789)	(589)	(8,594,589)	(24,613,260)
<b>Total liabilities</b>	<b>-</b>	<b>(90,165,566)</b>	<b>(641,315)</b>	<b>(107)</b>	<b>(429,324,920)</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>(12,184,789)</b>	<b>(589)</b>	<b>(8,594,589)</b>	<b>(24,613,260)</b>
<b>Net Assets</b>	<b>9</b>	<b>4,095,464</b>	<b>15,478,603</b>	<b>(106)</b>	<b>(7,269,954)</b>	<b>-</b>	<b>55,368</b>	<b>1</b>	<b>109,789</b>	<b>(576)</b>	<b>1,744,386</b>	<b>1,231,741</b>

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Onfair International Limited	Ontario Aoyuan Property Limited	Onwin Enterprises Limited	Oriental Worldwide Limited	Park Success Group Limited	Phase 2 Project Limited	Phoenix Virtue Limited	Quebec St. - 33rd Projects Limited	Rising Bright International Limited	Rising Fast Management Limited	Sanbo Holdings Limited	Sharp Mate International Limited
<b>Assets</b>												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	668	1,436,486	436	2,155	-	-	-	88,807	-	-	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	74,638	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	21,592,750	-	-	-	-	-
Investment in subsidiaries	2,318,870	1,070	-	-	-	1	-	4,111,681	-	0	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	3,144	211,225,346	1,539	0	-	7	6,775,546	-	-	98	2,185	-
<b>Total Assets</b>	<b>2,322,682</b>	<b>212,737,540</b>	<b>1,975</b>	<b>2,155</b>	<b>-</b>	<b>9</b>	<b>28,368,296</b>	<b>4,200,488</b>	<b>-</b>	<b>99</b>	<b>2,185</b>	<b>-</b>
<b>Liabilities</b>												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany payables	(2,302,352)	(185,826,648)	(310)	(2,380)	(49)	-	(41,169,835)	(93,199)	-	(0)	-	-
<b>Total liabilities</b>	<b>(2,302,352)</b>	<b>(185,826,648)</b>	<b>(310)</b>	<b>(2,380)</b>	<b>(49)</b>	<b>-</b>	<b>(41,169,835)</b>	<b>(93,199)</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>20,330</b>	<b>26,910,892</b>	<b>1,665</b>	<b>(225)</b>	<b>(49)</b>	<b>9</b>	<b>(12,801,539)</b>	<b>4,107,289</b>	<b>-</b>	<b>98</b>	<b>2,185</b>	<b>-</b>

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Silver Metro Global Limited	Sino Galaxy Development Limited	Sino Trend Investment Limited	Sino Wealth Trading Limited	Sinoteam Investment Limited	Sky Jade Group Limited	Sleek Rich Limited	Soar Wealth Limited	Speed Winner Limited	Star Image Development Limited	Success Elite Limited	Tang Bao Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	743	762	375	-	-	-	-	4,603	-	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	2	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	0	96,200,787	150,985,431	-	-	-	-	-	79,557,371	-	-	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	1	22,752	18,427,091	8,258	6,935,396	-	-	-	19,637,069	-	-	-
Total Assets	1	96,224,282	169,413,284	8,635	6,935,396	-	-	-	99,199,043	-	-	-
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany payables	(0)	(94,334,162)	(166,314,648)	(11,217,876)	(6,935,475)	-	-	-	(65,723,862)	-	-	-
Total liabilities	(0)	(94,334,162)	(166,314,648)	(11,217,876)	(6,935,475)	-	-	-	(65,723,862)	-	-	-
Net Assets	1	1,890,120	3,098,636	(11,209,241)	(79)	-	-	-	33,475,181	-	-	-



Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Teleimon International Limited	Time Well Investment (Group) Limited	Top Country Investment Limited	Topfair International Limited	Union Sino Enterprises Limited	United Joy Management Limited	Up Wealth Investment Limited	Vagatori International Limited	Vast August Limited	Wang Teng Limited	Warkaville Holdings Limited	Wealth Success Developments Limited
Assets												
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	-	-	270	-	-	-	-	-
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	-	561,550,212	1,151,624	-	-	1,345	0
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	-	-	-	-	-	-	7,275	7,575,682	1	-	4,620,467	98
Total Assets	-	-	-	-	-	-	561,557,757	8,727,306	1	-	4,621,811	98
Liabilities												
Bank loans	-	-	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany payables	-	(1,899)	-	-	-	-	(555,873,121)	(8,404,776)	(0)	-	-	(0)
Total liabilities	-	(1,899)	-	-	-	-	(555,873,121)	(8,404,776)	(0)	-	-	(0)
Net Assets	-	(1,899)	-	-	-	-	5,684,636	322,531	1	-	4,621,811	98

Annexure 5 (Summary of Financial Statements – Offshore Subsidiaries)

Assets and Liabilities USD	Win Hero Group Limited	Winwick Development Limited	Wisdom First Holdings Limited	World Future Limited	World Regal Development Limited	Yolinga International Limited	Yuet Heung Yuen Soy & Sauce Limited	Zhen Fu Limited	Zhi An Group (Hong Kong) Limited	Zhi An Investments (Hong Kong) Limited
Assets										
Property, plant and equipment	-	-	-	-	-	-	-	-	-	-
Property under development	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	519	-	-	-	-	-	2,650	619	609
Restricted bank deposits	-	-	-	-	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	-	-	-	-
Amount due from joint venture	-	-	-	-	-	-	-	-	-	-
Investment in associates	-	-	-	-	-	-	-	-	-	-
Investment in subsidiaries	0	35,066,023	-	-	-	-	-	-	116,389	-
Financial assets	-	-	-	-	-	-	-	-	-	-
Intercompany receivables	98	55,473,426	-	0	-	-	-	1,053,913	148,015	140,191
Total Assets	98	90,539,968	-	0	-	-	-	1,056,563	265,023	140,800
Liabilities										
Bank loans	-	-	-	-	-	-	-	-	-	-
Deposits received for sale of properties	-	-	-	-	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-	-	-	(61,628)	-
Intercompany payables	(0)	(89,434,046)	-	(136)	(104)	-	(586)	-	(207,950)	(150,558)
Total liabilities	(0)	(89,434,046)	-	(136)	(104)	-	(586)	-	(269,579)	(150,558)
Net Assets	98	1,105,922	-	(136)	(104)	-	(586)	1,056,563	(4,556)	(9,758)

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

1. **Section E (Methodology and Liquidation Analysis)** of the Report describes, inter alia, that in any liquidation, realisable value of a company's investment in subsidiaries usually depends on whether the subsidiaries have any surplus funds available for distribution to their shareholders after settling their liabilities and any costs associated with the realisation of these assets and any winding up costs. Capitalised terms used in the Report have the same meaning in this annexure.
2. This annexure describes the Liquidation Analysis in respect of the 116 Offshore Subsidiaries prepared on the basis of the methodology and assumptions described in **Section E** of the Report. For the purposes of this Liquidation Analysis of the 116 Offshore Subsidiaries, we have also:
  - 2.1 where appropriate, used the same recovery rates as those adopted in the Liquidation Analysis of China Aoyuan for asset categories which are recorded in both China Aoyuan's and the 116 Offshore Subsidiaries' financial statements as there is no material difference between the circumstances surrounding China Aoyuan and the Offshore Subsidiaries;
  - 2.2 adopted recovery rates which we consider reasonable and appropriate for asset categories which are recorded in the 116 Offshore Subsidiaries' financial statements but not recorded in those of China Aoyuan (including property under development, amounts due from joint venture, interest in Aoyuan Healthy Life, investment in Helio and investment in Canadian Subsidiaries), by reference to our observations and analysis set out in paragraphs 5 to 34 below; and
  - 2.3 assumed that, same as the Liquidation Analysis of China Aoyuan, all liabilities would become due and payable in this analysis.

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

3. The summary below sets out the asset recovery rates (in Low Recovery Case and High Recovery Case) adopted in the Liquidation Analysis of the 116 Offshore Subsidiaries established by reference to the financial statements as at 31 December 2022 and our observations and analysis described in paragraphs 5 to 34 of this annexure:

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
1	Able Run Management Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2	Able Sharp Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
3	Ace Crown Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
4	Ace Super International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
5	Ace Will Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
6	Act Fast Investments Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
7	Act Now International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
8	Active Top Group Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
9	Add Energy Property Investment Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
10	Add Gain Investments Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
11	Add Hero Holdings Limited	Low	n/a	n/a	100	n/a	n/a	28	1
		High	n/a	n/a	100	n/a	n/a	37	2
12	Add Lion Profits Limited	Low	n/a	n/a	100	n/a	20	0	0
		High	n/a	n/a	100	n/a	30	0	0
13	Add Move Investments Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
14	Add Power Investments Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
15	Add Right Investments Limited	Low	n/a	n/a	100	n/a	n/a	0	0
		High	n/a	n/a	100	n/a	n/a	0	0

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
16	Add Union Management Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
17	Alchmede Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
18	All Favour Investments Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
19	All New Profits Limited	Low	n/a	n/a	100	4	n/a	n/a	n/a
		High	n/a	n/a	100	6	n/a	n/a	n/a
20	Allied Channel Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
21	Allied Era Investments Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
22	Allywin Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
23	Alpha Winner Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
24	Ample Mount Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
25	Anway Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
26	Aoyuan Cannes Investments and Development Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a
27	Aoyuan Grand Place Investments and Development Limited	Low	n/a	n/a	100	20	n/a	n/a	1
		High	n/a	n/a	100	30	n/a	n/a	2
28	Asia Prime Limited	Low	n/a	n/a	100	n/a	n/a	0	0
		High	n/a	n/a	100	n/a	n/a	0	0
29	Asia Profit International Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
30	Asiacity Development Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
31	Auto High Management Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
32	Auto Joy Enterprises Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
33	Auto Smart Profits Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a
34	Bright Oriental Limited	Low	n/a	n/a	100	n/a	n/a	n/a	0
		High	n/a	n/a	100	n/a	n/a	n/a	0
35	Canton Link Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2
36	CAPG Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
37	Century Earth Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2



Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
38	Channel Time International Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
39	Charmtex Holdings Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
40	Cheer King International Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
41	Cheng Jie Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
42	China Aoyuan Financial Management Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a
43	China Aoyuan Investments Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
44	China Aoyuan Property Development Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
45	China Planet Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
46	Citiasia (H.K.) Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
47	Cityfair Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
48	Earning Ever Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
49	East Grand Development Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
50	East Harvest Investment Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	1
51	Everward Development Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a
52	Fairbo International Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
53	Fully Rise Development Limited	Low	n/a	n/a	n/a	20	n/a	0	1
		High	n/a	n/a	n/a	30	n/a	0	2

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
54	Gold Lucky Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
55	Happy Genius Management Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
56	Head Hero International Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
57	Head Win Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
58	High Boom International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
59	Kingmind Limited	Low	n/a	n/a	n/a	20	n/a	0	1
		High	n/a	n/a	n/a	30	n/a	0	2
60	Land Sino Development Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
61	Landco Development Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	0
		High	n/a	n/a	n/a	n/a	n/a	n/a	0

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
62	Magic Falcon Development Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
63	Million Wealthy Development Limited	Low	n/a	n/a	n/a	20	n/a	0	1
		High	n/a	n/a	n/a	30	n/a	0	2
64	New Aoyuan City Investments and Development Limited	Low	n/a	n/a	100	n/a	n/a	n/a	n/a
		High	n/a	n/a	100	n/a	n/a	n/a	n/a
65	Olympic City Investments and Development Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
66	Olympic Village Investments and Development Limited	Low	n/a	n/a	100	n/a	n/a	0	n/a
		High	n/a	n/a	100	n/a	n/a	0	n/a
67	Onwin Enterprises Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
68	Rising Bright International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
69	Rising Fast Management Limited	Low	n/a	n/a	n/a	n/a	n/a	0	0
		High	n/a	n/a	n/a	n/a	n/a	0	0

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
70	Sanbo Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2
71	Sharp Mate International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
72	Sino Trend Investment Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
73	Sky Jade Group Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
74	Sleek Rich Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
75	Soar Wealth Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
76	Speed Winner Limited	Low	n/a	n/a	100	n/a	n/a	0	0
		High	n/a	n/a	100	n/a	n/a	0	0
77	Teleimon International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
78	Topfair International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
79	United Joy Management Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
80	Up Wealth Investment Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
81	Vagatori International Limited	Low	n/a	n/a	n/a	n/a	n/a	0	0
		High	n/a	n/a	n/a	n/a	n/a	0	0
82	Wang Teng Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
83	Warkaville Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
84	Win Hero Group Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
85	Winwick Development Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
86	Wisdom First Holdings Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
87	Yolinga International Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
88	Zhen Fu Limited	Low	n/a	n/a	100	n/a	n/a	n/a	1
		High	n/a	n/a	100	n/a	n/a	n/a	2
89	Able Expert Investments Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a
90	Aoyuan Management Services (BC) Limited	Low	0	n/a	100	4	n/a	0	n/a
		High	0	n/a	100	7	n/a	0	n/a
91	Aoyuan Properties (B.C.) Limited	Low	n/a	n/a	n/a	n/a	n/a	100+	n/a
		High	n/a	n/a	n/a	n/a	n/a	100+	n/a
92	Aoyuan Property (HK) Limited	Low	n/a	n/a	100	n/a	n/a	100+	1
		High	n/a	n/a	100	n/a	n/a	100+	2
93	Aoyuan Property Group (Canada) Limited	Low	n/a	n/a	100	n/a	n/a	0	100
		High	n/a	n/a	100	n/a	n/a	0	100

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
94	Aoyuan Property Group (International) Limited	Low	0	n/a	5	20	n/a	0	0
		High	0	n/a	5	30	n/a	0	1
95	Aoyuan Property Holdings (Canada) Limited	Low	0	n/a	100	0	n/a	100+	37
		High	0	n/a	100	0	n/a	100+	47
96	Asialink Development Limited	Low	n/a	n/a	100	20	n/a	n/a	1
		High	n/a	n/a	100	30	n/a	n/a	2
97	Bestwide Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2
98	Brentwood-Willingdon Projects Limited	Low	n/a	n/a	100	20	n/a	n/a	100
		High	n/a	n/a	100	30	n/a	n/a	100
99	Capital Benefit Limited	Low	0	0	100	20	n/a	n/a	1
		High	0	0	100	30	n/a	n/a	2
100	Creation Max Limited	Low	n/a	n/a	n/a	n/a	n/a	100+	1
		High	n/a	n/a	n/a	n/a	n/a	100+	2
101	Eagle Ascend Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2



Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
102	Fame Beyond Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2
103	Fine Wisdom Global Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
104	First Gold (H.K.) Limited	Low	30	n/a	n/a	n/a	n/a	n/a	n/a
		High	50	n/a	n/a	n/a	n/a	n/a	n/a
105	Grand First Holdings Limited	Low	n/a	n/a	100+	20	n/a	n/a	1
		High	n/a	n/a	100+	30	n/a	n/a	2
106	Main Trend Limited	Low	n/a	n/a	100	n/a	n/a	100+	1
		High	n/a	n/a	100	n/a	n/a	100+	2
107	Maingain Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	100+	23
		High	n/a	n/a	n/a	n/a	n/a	100+	30
108	Masterwin Developments Limited	Low	n/a	n/a	n/a	n/a	n/a	100+	1
		High	n/a	n/a	n/a	n/a	n/a	100+	2
109	Maxson Investment Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	1
		High	n/a	n/a	n/a	n/a	n/a	n/a	2

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Low / High Recovery Case	Property, plant and equipment %	Property under development %	Cash and cash equivalents %	Trade and other receivables %	Amount due from joint venture %	Investment in subsidiaries %	Intercompany receivables %
110	Onfair International Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
111	Ontario Aoyuan Property Limited	Low	n/a	n/a	100	9	n/a	100+	1
		High	n/a	n/a	100	13	n/a	100+	2
112	Quebec St. - 33rd Projects Limited	Low	n/a	n/a	100	n/a	n/a	0	n/a
		High	n/a	n/a	100	n/a	n/a	0	n/a
113	Silver Metro Global Limited	Low	n/a	n/a	n/a	n/a	n/a	0	1
		High	n/a	n/a	n/a	n/a	n/a	0	2
114	Sino Galaxy Development Limited	Low	n/a	n/a	100	n/a	n/a	0	1
		High	n/a	n/a	100	n/a	n/a	0	2
115	Star Image Development Limited	Low	n/a	n/a	n/a	n/a	n/a	100+	n/a
		High	n/a	n/a	n/a	n/a	n/a	100+	n/a
116	Tang Bao Limited	Low	n/a	n/a	n/a	n/a	n/a	n/a	n/a
		High	n/a	n/a	n/a	n/a	n/a	n/a	n/a

4. Set out in paragraphs 5 to 34 below is our assessment of the realisable value of the 116 Offshore Subsidiaries' assets and liabilities.

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

**Property, Plant and Equipment (PPE)**

5. The PPE are owned by Aoyuan Management Service (BC) Limited, Aoyuan Property Group (International) Limited, Aoyuan Property Holdings (Canada) Limited, Capital Benefit Limited and First Gold (H.K.) Limited and comprise buildings (49%), furniture, fixtures and equipment (30%), leasehold improvement (14%) and motor vehicles (8%). In our experience, furniture, fixtures and equipment, leasehold improvement and motor vehicles are usually not realisable or unlikely provide any meaningful realisable value in any liquidation.
6. Empirical and academic studies in respect of sale of real estate properties under liquidation scenario indicate that a discount of approximately 20% is generally expected on a liquidation basis. In light of the circumstances surrounding the Group, we have adopted a recovery rate of 30% to 50% for these buildings for the purpose of this analysis.

**Property under development**

7. The property under development is owned by Capital Benefit Limited and is charged as security for loan borrowed by Fine Wisdom Global Limited totalling USD69 million in favour of Hang Seng Bank. The management of the Group considers that the realisable value of this project will barely be sufficient to settle the loans due to Hang Seng Bank in full.

**Cash and Cash Equivalents**

8. In our experience, cash and cash equivalents are usually fully realisable.
9. Further, as described in paragraph 36 of the Report, the Group's management confirmed that the USD70 million cash and cash equivalents recorded in Aoyuan Property Group (International) Limited's management account as at 31 December 2022 represent net sale proceeds held by Aoyuan Property Group (International) Limited on trust for Grand First Holdings Limited in respect of the sale of Grand First Holdings Limited's investment in Aoyuan Property Group (Australia) Pty Limited. On this basis, we have adopted the following realisable value for the purpose of this analysis:

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

- 9.1 Aoyuan Property Group (International) Limited's cash and cash equivalent at USD3 million; and
- 9.2 Grand First Holdings Limited's cash and cash equivalent at USD70 million.

**Trade and Other Receivables**

- 10. These trade and other receivables mainly comprise accounts and other receivables (82%), tax recoverable (13%) and prepayment (5%). In our experience, tax recoverable and prepayment are usually not realisable in any liquidation.
- 11. The accounts and other receivables are likely associated with the real estate industry and in light of the circumstances surrounding the Group, the Offshore Subsidiaries would likely encounter additional delay and/or other resistances in collecting these accounts and other receivables and the associated realisable value would unlikely be higher than 20% to 30% of their book value in any liquidation.

**Amounts due from Joint Venture**

- 12. Information available does not indicate the financial position of the joint venture.
- 13. For the reasons set out in "Trade and Other Receivables" above, the recovery rate of these amounts would unlikely be higher than 20% to 30% of their book value in any liquidation.

**Main Trend Limited's Interest in Aoyuan Healthy Life**

- 14. As at 31 December 2022, Main Trend Limited held 54.6% equity interest in Aoyuan Healthy Life. On 16 February 2023, Main Trend Limited entered into a sale and purchase agreement with Best Discovery International Limited (Purchaser), pursuant to which Main Trend Limited agreed to sell and the purchaser agreed to buy 29.9% of equity interest in Aoyuan Healthy Life at USD33 million (USD0.15 per share). The sale was completed on 17 July 2023.

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

15. For the purposes of the Liquidation Analysis, we have estimated the realisable value of Main Trend Limited's 54.6% equity interest in Aoyuan Healthy Life by reference to the per share purchase price set out in the above paragraph.

**Masterwin Development Limited's investment in Helio**

16. As at 31 December 2022, Masterwin Development Limited ("Masterwin"), through Innotech Capital (Cayman) Limited, held 5.1% interest in Helio in the form of preferred shares ("Preferred Shares of Helio"). Helio is a private AI-driven healthcare company focusing on commercialising early cancer detection tests from a simple blood draw.
17. Financial information in respect of Innotech Capital (Cayman) Limited and Helio as at 31 December 2022 is not available. On 30 November 2021, Aoyuan Healthy Life obtained a valuation report prepared by Masterpiece Valuation Advisory ("Masterpiece Valuation") which estimates Masterwin's interest in Helio at a fair value of USD112 million as at 30 September 2021.
18. Masterpiece Valuation prepared the valuation report after consideration of (i) financial and operational positions of Masterwin and Helio, (ii) the circumstances surrounding Masterwin and Helio, (iii) nature and prospects of the healthcare industry, (iii) market-derived investment returns of entities engaged in a similar line of business and returns from other similar types of business and (iv) the then prevailing long term borrowing rate and risk-free interest rate in the capital market.
19. The valuation was conducted by adopting the following methodology:
- 19.1 "[using] the market approach to estimate the fair value [of the Preferred Shares of Helio]" as at 30 September 2021;
- 19.2 "given that Helio is private company, the quoted spot price of Helio cannot be observed directly. The fair value [of the Preferred Shares of Helio] are measured through Backsolve method, which use the latest share issuance to determine the equity value of Helio";

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

- 19.3 assuming that the Preferred Shares of Helio as call options, value of which can be determined by adopting the Black-Scholes model; and
  - 19.4 applying lack of marketability discount and lack of controllability discount over the Preferred Shares of Helio owned by Masterwin.
20. We are unable to consider whether the estimated value of Masterwin's interest in Helio set out in the valuation report is accurate because the valuation report does not set out the reasons why the adopted approaches are reasonable and appropriate and the associated calculations of the estimated value.
21. More importantly, as Masterwin is a minority shareholder holding 5.1% interest in Helio in the form of preferred shares and unlikely has any control over Helio's business, operation and dividend policy, the prospect of identifying any potential buyers interested in acquiring such a minority interest is remote and the only potential buyer is likely the majority shareholder(s).
22. In light of the above, the recovery rate of the investment in Helio would unlikely be higher than 30% to 40% of the estimated value as stated in the Masterpiece Valuation.

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

Investment in Canadian Subsidiaries

23. Set out below is a summary of our estimated realisable value of the Group's investment in the Canadian Subsidiaries:

Canadian Subsidiaries	Shareholder	Estimated Value USD million	Remarks
133A Street Projects Limited	Aoyuan Properties (B.C.) Limited	35.8	On 11 May 2023, Aoyuan Properties (B.C.) Limited and Aoyuan Management Services (BC) Limited entered into a share purchase and sale agreement with Macdonald Communities Limited pursuant to which Aoyuan Properties (B.C.) Limited and Aoyuan Management Services (BC) Limited would sell, inter alia, the following assets at a net sale proceeds totalling CAD48.5 million (equivalent to USD35.8 million):  1. 100% interest in 133A Street Projects Limited and Aoyuan 133ASurrey GP Limited; and  2. interest free promissory note issued by 133A Street Projects Limited in the amount of CAD50,300,000 in favour of Aoyuan Properties (B.C.) Limited.
Aoyuan 133ASurrey GP Limited	Aoyuan Management Services (BC) Limited		Almost all of the net sale will be paid to Aoyuan Properties (B.C.) Limited. For the purposes of this analysis, we have estimated the realisable value of (i) Aoyuan Properties (B.C.) Limited's investment in 133A Street Projects Limited at USD35.8 million and (ii) Aoyuan Management Services (BC) Limited's investment in Aoyuan 133ASurrey GP Limited at zero. This sale was completed before the date of this report and the sale proceeds were paid to a bank account designated by Aoyuan Properties (B.C.) Limited and Aoyuan Management Services (BC) Limited.

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

Canadian Subsidiaries	Shareholder	Estimated Value USD million	Remarks
128 Peter Street Limited Partnership	Ontario Aoyuan Property Limited (99.99%)	12 to 17	Management of the Group confirmed that the Group is selling its 100% interest in 128 Peter Street Limited Partnership and estimated its realisable value ranging from USD12 million to USD17 million.
	128 Peter Street Project Limited (0.01%)		Since Ontario Aoyuan Property Limited holds 99.99% of 128 Peter Street Limited Partnership, we have assumed that Ontario Aoyuan Property Limited will receive all the net sale proceeds and have adopted this in the analysis.
5799 Yonge Street Limited Partnership	Ontario Aoyuan Property Limited (99.99%)	67 to 92	The Group's management confirmed that the Group is selling its 100% interest in 5799 Yonge Street Limited Partnership and estimated its realisable value to range from USD67 million to USD92 million.
	5799 Yonge Street Project Limited (0.01%)		Since Ontario Aoyuan Property Limited holds 99.99% of 5799 Yonge Street Limited Partnership, we have assumed that Ontario Aoyuan Property Limited will receive all the net sale proceeds and have adopted this in the analysis.



**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

**Investment in Other Subsidiaries**

24. In any liquidation, realisable value of a company's investment in subsidiaries usually depends on whether the subsidiaries would have any surplus funds available for distribution to their shareholders after settling their liabilities and any costs associated with the realisation of these assets and any winding up costs.
25. On the basis of the Liquidation Analysis of the 116 Offshore Subsidiaries, only the following 11 Offshore Subsidiaries would likely have surplus funds available for the holding companies after settlement of their liabilities and any costs associated with the realisation of these assets and any winding up costs:

Offshore Subsidiaries	Surplus Funds		Shareholders
	Low USD	High USD	
Aoyuan Management Services (BC) Limited	604,313	605,226	Aoyuan Properties (B.C.) Limited
Aoyuan Properties (B.C.) Limited	35,113,295	35,124,089	Aoyuan Property Holdings (Canada) Limited
Aoyuan Property Group (Canada) Limited	100,866	100,866	Aoyuan Properties (B.C.) Limited
Aoyuan Property Holdings (Canada) Limited	3,947,748	8,035,737	Maingain Investment Limited
Bestwide Investment Limited	338	676	Creation Max Limited
Brentwood-Willingdon Projects Limited	1,244,273	1,254,722	Aoyuan Properties (B.C.) Limited
Creation Max Limited	85	405	Aoyuan Property (HK) Limited
Main Trend Limited	57,056,019	57,203,051	Star Image Development Limited
Masterwin Developments Limited	4,602,010	6,136,347	Add Hero Holdings Limited (30%)
Maxson Investment Limited	526	1,052	Masterwin Developments Limited
Star Image Development Limited	54,203,218	54,342,898	China Aoyuan

26. Notwithstanding the above, China Aoyuan would unlikely receive any dividend distribution from the above Offshore Subsidiaries (except for Main Trend Limited and Star Image Development Limited) through the shareholding structure of the Group, primarily because China

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

Aoyuan held these Offshore Subsidiaries indirectly through Add Hero Holdings Limited and the shares in Add Hero Holdings Limited are pledged to the ICA Creditors.

27. Main Trend Limited is indirectly held by China Aoyuan through Star Image Development Limited. Any surplus assets of Main Trend Limited would likely be distributed to Star Image Development Limited and then to China Aoyuan by way of dividend distribution to shareholders in any liquidation. Our analysis indicates that there would likely be surplus assets available to be distributed from Star Image Development Limited to China Aoyuan approximating USD54 million.

**Intercompany Receivables**

28. These are intercompany balances due primarily from China Aoyuan's subsidiaries. Realisable value of intercompany receivables in any liquidation depends highly on the corresponding subsidiaries' ability to distribute dividend to its intercompany creditors.
29. For the reasons set out in paragraphs 39 to 45 of the Report, the likelihood of any material realisation from the Onshore Subsidiaries being made available to China Aoyuan and/or its Offshore Subsidiaries (absent a material improvement of its financial and operational affairs) is likely remote. We have therefore adopted a zero recovery for any intercompany receivables due from the Onshore Subsidiaries.
30. Among the 116 Offshore Subsidiaries and China Aoyuan, 73 entities had offshore intercompany creditors recorded in their financial statements as at 31 December 2022. Our analysis indicates that 68 of these 73 entities' weighted average return to creditors ranges from 0.6% (in the Low Recovery Case) to 0.7% (in the High Recovery Case) of their liabilities. On this basis, we consider it prudent to adopt a recovery rate of 1% to 2% in respect of the intercompany receivables due by these 68 entities to their intercompany creditors.
31. Set out below is a summary of our observations and the estimated return available from the remaining 5 Offshore Subsidiaries to their unsecured creditors (including intercompany creditors):

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

5 Offshore Subsidiaries	Estimated Return to Unsecured Creditors		Observations
	Low	High	
Aoyuan Properties (B.C.) Limited	732,939 (100%)	732,939 (100%)	<p>Aoyuan Properties (B.C.) Limited's intercompany creditors include (i) Aoyuan Property Holdings (Canada) Limited (USD6 million), (ii) Aoyuan Property Group (Canada) Limited (USD700,913) and (iii) others (USD2).</p> <p>Aoyuan Properties (B.C.) Limited's primary asset is its investment in 133A Street Projects Limited. As set out in paragraph 23 above, the realisable value of Aoyuan Properties (B.C.) Limited's investment in 133A Street Projects Limited is estimated at USD35.8 million and this represents over 100% of Aoyuan Properties (B.C.) Limited's liabilities.</p> <p>Aoyuan Properties (B.C.) Limited will therefore likely distribute dividend of 100% to its unsecured creditors including its intercompany creditors, after settling any winding up costs.</p>
Aoyuan Property Holdings (Canada) Limited	48,228,661 (100%)	48,228,661 (100%)	<p>Aoyuan Property Holdings (Canada) Limited's intercompany creditors include (i) Maingain Investment Limited (USD28 million), (ii) Brentwood-Willingdon Projects Limited (USD15 million), (iii) Aoyuan 33Quebec Project Limited Partnership (USD5 million) and (iv) others (USD1).</p> <p>Aoyuan Property Holdings (Canada) Limited's primary assets are its investment in Aoyuan Properties (B.C.) Limited and amounts due from Aoyuan Properties (B.C.) Limited and Ontario Aoyuan Property Limited. As set out in paragraph 25 above, the total realisable value of these assets is estimated at USD52 million to USD56 million and this represents over 100% of Aoyuan Property Holdings (Canada) Limited's liabilities.</p> <p>Aoyuan Property Holdings (Canada) Limited will therefore likely distribute dividend of 100% to its unsecured creditors including its intercompany creditors, after settling any winding up costs.</p>

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

5 Offshore Subsidiaries	Estimated Return to Unsecured Creditors		Observations
	Low	High	
Grand First Holdings Limited	67,001,451 (22%)	67,953,449 (22%)	<p>Grand First Holdings Limited's intercompany creditor includes China Aoyuan (USD303 million).</p> <p>Grand First Holdings Limited's primary asset is its cash and cash equivalents. As set out in paragraph 9.2 above, Grand First Holdings Limited will likely realise USD70 million from its cash and cash equivalents which represents 23% of its liabilities.</p> <p>On this basis, Grand First Holdings Limited will likely distribute dividend approximating 22% (after settling any winding up costs) to its unsecured creditors including China Aoyuan.</p>
Maingain Investment Limited	96,063,984 (22%)	126,272,468 (29%)	<p>Maingain Investment Limited's intercompany creditor includes China Aoyuan (USD429 million).</p> <p>Maingain Investment Limited's primary assets are its investment in Aoyuan Property Holdings (Canada) Limited and its amounts due from Aoyuan Property Holdings (Canada) Limited and Ontario Aoyuan Property Limited. As set out in paragraph 25 above, the total realisable value of these assets is estimated at USD101 million to USD133 million and this represents 24% to 31% of Maingain Investment Limited's liabilities.</p> <p>Maingain Investment Limited will therefore likely distribute dividend ranging from 22% to 29% (after settling any winding up costs) to its unsecured creditors including China Aoyuan.</p>
Ontario Aoyuan Property Limited	78,723,881 (42%)	108,719,424 (59%)	<p>Ontario Aoyuan Property Limited's intercompany creditors include (i) Maingain Investment Limited (USD157 million), (ii) Aoyuan Property Holdings (Canada) Limited (USD25 million), (iii) Aoyuan Management Services (Canada) Limited (USD3 million) and (iv) others (USD117).</p>

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

5 Offshore Subsidiaries	Estimated Return to Unsecured Creditors		Observations
	Low	High	
			<p>Ontario Aoyuan Property Limited 's primary assets are its investments in 128 Peter Street Limited Partnership and 5799 Yonge Street Limited Partnership. As set out in paragraph 23 above, the realisable value of Ontario Aoyuan Property Limited's investment in (i) 128 Peter Street Limited Partnership is estimated at USD12 million to USD17 million and (ii) 5799 Yonge Street Limited Partnership at USD67 million to USD92 million for the purpose of this analysis. These realisations represent 43% to 59% of Ontario Aoyuan Property Limited's liabilities.</p> <p>On this basis, Ontario Aoyuan Property Limited will likely distribute dividend ranging from 42% to 59% (after settling any winding up costs) to its unsecured creditors including its intercompany creditors.</p>

**Cost of Liquidation**

32. Cost of liquidation includes fees and expenses incurred by the liquidators and any receivers of secured assets and their advisors during the liquidation which will be settled before any distribution to the creditors. In our experience, the cost of liquidation would likely approximate 5% of the total realisable value of all assets.

**Liabilities**

33. We have assumed that all liabilities would become due and payable in this analysis.

**Guaranteed Liabilities**

34. This primarily represents liabilities of China Aoyuan approximating USD4.3 billion which are guaranteed by the ICA Subsidiaries.

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

Conclusion

35. Set out below is a summary of the estimated financial positions of the 116 Offshore Subsidiaries in any liquidation scenario prepared based on the methodology, assumptions and our key observations and analysis set out in the above paragraphs:

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
ICA Subsidiaries							
1	Able Run Management Limited	(4,344,101,324)	-	-	-	-	Shares of the ICA Subsidiaries are pledged in favour of the ICA Creditors pursuant to the ICA Pledge.
2	Able Sharp Limited	(4,430,562,665)	913,873	1,827,747	0.0	0.0	
3	Ace Crown Limited	(4,344,101,324)	57,033	113,621	0.0	0.0	
4	Ace Super International Limited	(4,344,101,324)	-	-	-	-	
5	Ace Will Holdings Limited	(4,344,101,324)	-	-	-	-	
6	Act Fast Investments Limited	(4,344,101,324)	-	-	-	-	
7	Act Now International Limited	(4,344,101,324)	-	-	-	-	
8	Active Top Group Limited	(4,344,101,324)	-	-	-	-	
9	Add Energy Property Investment Holdings Limited	(4,344,101,324)	-	-	-	-	
10	Add Gain Investments Limited	(4,373,295,661)	30,044	30,073	0.0	0.0	
11	Add Hero Holdings Limited	(6,651,026,259)	21,130,108	41,381,915	0.3	0.6	

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
12	Add Lion Profits Limited	(5,132,242,279)	395,810	587,304	0.0	0.0	
13	Add Move Investments Limited	(4,344,101,324)	-	-	-	-	
14	Add Power Investments Limited	(4,572,199,807)	1,438,757	2,802,186	0.0	0.1	
15	Add Right Investments Limited	(4,593,535,961)	552,156	1,103,870	0.0	0.0	
16	Add Union Management Limited	(4,344,101,324)	-	-	-	-	
17	Alchmede Holdings Limited	(4,344,101,324)	1	2	0.0	0.0	
18	All Favour Investments Limited	(4,344,101,324)	1	2	0.0	0.0	
19	All New Profits Limited	(4,409,010,461)	8,344	12,495	0.0	0.0	
20	Allied Channel Limited	(4,357,208,653)	616	616	0.0	0.0	
21	Allied Era Investments Limited	(4,344,101,324)	1	2	0.0	0.0	
22	Allywin Limited	(4,344,101,324)	1	2	0.0	0.0	
23	Alpha Winner Limited	(4,394,403,986)	359	372	0.0	0.0	
24	Ample Mount Holdings Limited	(4,344,101,324)	1	2	0.0	0.0	
25	Anway Investment Limited	(4,344,101,473)	-	-	-	-	
26	Aoyuan Cannes Investments and Development Limited	(4,344,101,988)	13	13	0.0	0.0	

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
27	Aoyuan Grand Place Investments and Development Limited	(4,357,567,618)	513,904	622,714	0.0	0.0	
28	Asia Prime Limited	(4,394,403,534)	959	959	0.0	0.0	
29	Asia Profit International Limited	(4,344,101,719)	6,617	6,617	0.0	0.0	
30	Asiacity Development Limited	(4,344,101,324)	-	-	-	-	
31	Auto High Management Limited	(4,344,101,324)	1	2	0.0	0.0	
32	Auto Joy Enterprises Limited	(4,344,101,324)	1	2	0.0	0.0	
33	Auto Smart Profits Limited	(4,344,168,471)	27	27	0.0	0.0	
34	Bright Oriental Limited	(4,344,735,202)	996	996	0.0	0.0	
35	Canton Link Investment Limited	(4,344,101,324)	361	721	0.0	0.0	
36	CAPG Limited	(4,344,101,324)	-	-	-	-	
37	Century Earth Limited	(4,344,101,324)	10	20	0.0	0.0	
38	Channel Time International Limited	(4,378,103,895)	753	787	0.0	0.0	
39	Charmtex Holdings Limited	(4,344,602,626)	523	529	0.0	0.0	
40	Cheer King International Limited	(4,344,101,324)	25,653	50,750	0.0	0.0	
41	Cheng Jie Limited	(4,344,101,324)	-	-	-	-	



Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
42	China Aoyuan Financial Management Limited	(4,344,101,877)	12	12	0.0	0.0	
43	China Aoyuan Investments Limited	(4,413,323,313)	8,241	8,241	0.0	0.0	
44	China Aoyuan Property Development Limited	(4,371,324,687)	547	598	0.0	0.0	
45	China Planet Limited	(4,344,101,324)	1,486	2,603	0.0	0.0	
46	Citiasia (H.K.) Limited	(4,345,054,907)	752	819	0.0	0.0	
47	Cityfair Investment Limited	(4,344,101,324)	-	-	-	-	
48	Earning Ever Limited	(4,344,101,324)	26,212	52,412	0.0	0.0	
49	East Grand Development Limited	(4,344,101,324)	-	-	-	-	
50	East Harvest Investment Limited	(4,589,667,319)	953,403	1,897,962	0.0	0.0	
51	Everward Development Limited	(4,344,101,825)	12	12	0.0	0.0	
52	Fairbo International Limited	(4,344,101,324)	5,188	9,928	0.0	0.0	
53	Fully Rise Development Limited	(4,381,619,377)	326,606	650,139	0.0	0.0	
54	Gold Lucky Limited	(4,344,101,324)	104,420	207,002	0.0	0.0	
55	Happy Genius Management Limited	(4,344,101,324)	-	-	-	-	
56	Head Hero International Limited	(4,344,101,324)	1	2	0.0	0.0	

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
57	Head Win Limited	(4,440,298,521)	913,962	1,827,924	0.0	0.0	
58	High Boom International Limited	(4,344,101,324)	-	-	-	-	
59	Kingmind Limited	(4,602,091,923)	2,397,848	4,786,121	0.1	0.1	
60	Land Sino Development Limited	(4,344,101,324)	-	-	-	-	
61	Landco Development Limited	(4,344,101,326)	-	-	-	-	
62	Magic Falcon Development Limited	(4,434,266,889)	0	0	0.0	0.0	
63	Million Wealthy Development Limited	(4,356,286,112)	88,285	173,575	0.0	0.0	
64	New Aoyuan City Investments and Development Limited	(4,344,101,912)	12	12	0.0	0.0	
65	Olympic City Investments and Development Limited	(4,352,695,912)	686	688	0.0	0.0	
66	Olympic Village Investments and Development Limited	(4,368,714,584)	13	13	0.0	0.0	
67	Onwin Enterprises Limited	(4,344,101,633)	429	443	0.0	0.0	
68	Rising Bright International Limited	(4,344,101,324)	-	-	-	-	
69	Rising Fast Management Limited	(4,344,101,324)	-	-	-	-	
70	Sanbo Holdings Limited	(4,344,101,324)	21	42	0.0	0.0	
71	Sharp Mate International Limited	(4,344,101,324)	-	-	-	-	

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
72	Sino Trend Investment Limited	(4,510,415,972)	133,019	265,313	0.0	0.0	
73	Sky Jade Group Limited	(4,344,101,324)	-	-	-	-	
74	Sleek Rich Limited	(4,344,101,324)	-	-	-	-	
75	Soar Wealth Limited	(4,344,101,324)	-	-	-	-	
76	Speed Winner Limited	(4,409,825,185)	4,639	4,905	0.0	0.0	
77	Teleimon International Limited	(4,344,101,324)	-	-	-	-	
78	Topfair International Limited	(4,344,101,324)	-	-	-	-	
79	United Joy Management Limited	(4,344,101,324)	-	-	-	-	
80	Up Wealth Investment Limited	(4,899,974,445)	326	395	0.0	0.0	
81	Vagatori International Limited	(4,352,506,099)	-	-	-	-	
82	Wang Teng Limited	(4,344,101,324)	-	-	-	-	
83	Warkaville Holdings Limited	(4,344,101,324)	43,894	87,789	0.0	0.0	
84	Win Hero Group Limited	(4,344,101,324)	1	2	0.0	0.0	
85	Winwick Development Limited	(4,433,535,370)	472,743	944,993	0.0	0.0	
86	Wisdom First Holdings Limited	(4,344,101,324)	-	-	-	-	
87	Yolinga International Limited	(4,344,101,324)	-	-	-	-	

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
88	Zhen Fu Limited	(4,344,101,324)	12,530	22,542	0.0	0.0	
<b>Subtotal (ICA Subsidiaries)</b>					0.5	1.0	The ICA Subsidiaries would generate 0.5% to 1.0% recovery to their creditors including the ICA Creditors in any liquidation.
<b>Non ICA Subsidiaries</b>							
89	Able Expert Investments Limited	-	-	-	n/a	n/a	Add Hero Holdings Limited.
90	Aoyuan Management Services (BC) Limited	(3,388,620)	3,992,933	3,993,847	100.0	100.0	Aoyuan Properties (B.C.) Limited.
91	Aoyuan Properties (B.C.) Limited	(732,939)	35,846,235	35,857,028	100.0	100.0	Aoyuan Property Holdings (Canada) Limited.
92	Aoyuan Property (HK) Limited	(85,678,702)	70,984	140,176	0.1	0.2	Aoyuan Property Group (International) Limited.
93	Aoyuan Property Group (Canada) Limited	(619,133)	719,999	719,999	100.0	100.0	Aoyuan Properties (B.C.) Limited.
94	Aoyuan Property Group (International) Limited	(155,570,145)	3,990,233	4,248,341	2.6	2.7	Add Hero Holdings Limited.
95	Aoyuan Property Holdings (Canada) Limited	(48,228,661)	52,176,408	56,264,398	100.0	100.0	Maingain Investment Limited.
96	Asialink Development Limited	(18,487,757)	311,995	501,520	1.7	2.7	Able Expert Investments Limited.
97	Bestwide Investment Limited	-	338	676	n/a	n/a	Creation Max Limited.
98	Brentwood-Willingdon Projects Limited	(14,490,877)	15,735,150	15,745,599	100.0	100.0	Aoyuan Properties (B.C.) Limited.
99	Capital Benefit Limited	(98,914,852)	508,806	955,213	0.5	1.0	First Gold (H.K.) Limited.

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
100	Creation Max Limited	(236)	321	642	100.0	100.0	Aoyuan Property (HK) Limited.
101	Eagle Ascend Limited	(0)	0	0	7.0	14.1	Add Hero Holdings Limited.
102	Fame Beyond Limited	(209)	2	4	1.0	1.9	Aoyuan Property Group (International) Limited.
103	Fine Wisdom Global Limited	(180,562,879)	911,510	1,715,377	0.5	1.0	Aoyuan Property (HK) Limited.
104	First Gold (H.K.) Limited	(531,934)	52,295	87,158	9.8	16.4	Fine Wisdom Global Limited.
105	Grand First Holdings Limited	(302,692,919)	67,001,451	67,953,449	22.1	22.4	Fame Beyond Limited.
106	Main Trend Limited	(641,315)	57,697,334	57,844,365	100.0	100.0	Star Image Development Limited.
107	Maingain Investment Limited	(429,324,920)	96,063,984	126,272,468	22.4	29.4	Tang Bao Limited.
108	Masterwin Developments Limited	(0)	4,602,010	6,136,347	100.0	100.0	Add Hero Holdings Limited (30%).
109	Maxson Investment Limited	-	526	1,052	n/a	n/a	Masterwin Developments Limited.
110	Onfair International Limited	(2,302,352)	665	695	0.0	0.0	Silver Metro Global Limited.
111	Ontario Aoyuan Property Limited	(185,826,648)	78,723,881	108,719,424	42.4	58.5	Aoyuan Property Holdings (Canada) Limited.
112	Quebec St. - 33rd Projects Limited	(93,199)	84,367	84,367	90.5	90.5	Aoyuan Properties (B.C.) Limited.
113	Silver Metro Global Limited	(0)	0	0	7.0	14.1	Add Hero Holdings Limited.
114	Sino Galaxy Development Limited	(94,334,162)	922	1,138	0.0	0.0	Eagle Ascend Limited.
115	Star Image Development Limited	-	54,203,218	54,342,898	n/a	n/a	China Aoyuan Group Limited.

Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)

No.	Offshore Subsidiaries	Total Liabilities USD	Total Realisable Assets USD		Estimated Return to Creditors %		Shareholders (100% unless otherwise stated)
			Low	High	Low	High	
116	Tang Bao Limited	-	-	-	n/a	n/a	Aoyuan Property Group (International) Limited.

36. On the basis of the Liquidation Analysis of the 116 Offshore Subsidiaries, only the following 11 Offshore Subsidiaries would likely have surplus funds available for distribution to the holding companies after settlement of their liabilities and any costs associated with the realisation of these assets and any winding up costs:

Offshore Subsidiaries	Surplus Funds		Shareholders
	Low USD	High USD	
Aoyuan Management Services (BC) Limited	604,313	605,226	Aoyuan Properties (B.C.) Limited
Aoyuan Properties (B.C.) Limited	35,113,295	35,124,089	Aoyuan Property Holdings (Canada) Limited
Aoyuan Property Group (Canada) Limited	100,866	100,866	Aoyuan Properties (B.C.) Limited
Aoyuan Property Holdings (Canada) Limited	3,947,748	8,035,737	Maingain Investment Limited
Bestwide Investment Limited	338	676	Creation Max Limited
Brentwood-Willingdon Projects Limited	1,244,273	1,254,722	Aoyuan Properties (B.C.) Limited
Creation Max Limited	85	405	Aoyuan Property (HK) Limited
Main Trend Limited	57,056,019	57,203,051	Star Image Development Limited
Masterwin Developments Limited	4,602,010	6,136,347	Add Hero Holdings Limited (30%)
Maxson Investment Limited	526	1,052	Masterwin Developments Limited
Star Image Development Limited	54,203,218	54,342,898	China Aoyuan

**Annexure 6 (Financial Position Analysis – Offshore Subsidiaries)**

37. Notwithstanding the above, China Aoyuan would unlikely receive any dividend distribution from the above Offshore Subsidiaries (except for Main Trend Limited), through the shareholding structure of the Group, primarily because China Aoyuan held these Offshore Subsidiaries indirectly through Add Hero Holdings Limited and the shares in Add Hero Holdings Limited are pledged to the ICA Creditors.
38. Main Trend Limited is indirectly held by China Aoyuan through Star Image Development Limited. Any surplus assets of Main Trend Limited would likely be distributed to Star Image Development Limited and then to China Aoyuan by way of dividend distribution to shareholders in any liquidation. Our analysis indicates that there would likely be surplus assets available to be distributed from Star Image Development Limited to China Aoyuan approximating USD54 million.



**STRICTLY PRIVATE AND CONFIDENTIAL**

**China Aoyuan Group Limited  
("China Aoyuan")**

**Comparison of Financial Position between 31 December 2022 and 30 June 2023**

**16 October 2023**



## Comparison of Financial Position between 31 December 2022 and 30 June 2023

1. Set out below is summary of China Aoyuan's assets and liabilities as at 31 December 2022 and 30 June 2023:

Assets and Liabilities RMB	31 December 2022 Audited	30 June 2023 Unaudited	Difference
<b>Assets</b>			
Property, plant and equipment	735,947	735,947	-
Cash and cash equivalents	9,264,964	9,851,620	586,656
Trade and other receivables	1,410,748	1,414,480	3,732
Intercompany receivables	12,146,505,687	11,725,377,589	(421,128,098)
<b>Total assets</b>	<b>12,157,917,346</b>	<b>11,737,379,636</b>	<b>(420,537,710)</b>
<b>Liabilities</b>			
Existing Bilateral Facilities (SBLC)	(1,165,652,663)	(1,130,827,721)	34,824,942
Existing Syndicated Facilities	(4,711,953,131)	(5,168,317,236)	(456,364,105)
Existing Public Notes	(25,542,974,947)	(26,959,836,861)	(1,416,861,914)
Other loans	(2,001,964,368)	(2,201,230,406)	(199,266,038)
Trade and other payables	(1,101,121,620)	(1,083,790,102)	17,331,518
Intercompany payables	(351,663,178)	(362,961,915)	(11,298,737)
<b>Total liabilities</b>	<b>(34,875,329,907)</b>	<b>(36,906,964,241)</b>	<b>(2,031,634,334)</b>
<b>Net assets</b>	<b>(22,717,412,561)</b>	<b>(25,169,584,605)</b>	<b>(2,452,172,044)</b>

Comparison of Financial Position between 31 December 2022 and 30 June 2023

2. The above table indicates that between 31 December 2022 and 30 June 2023:
  - 2.1 China Aoyuan's total assets decreased by 3% from RMB12,157,917,346 to RMB11,737,379,636; and
  - 2.2 China Aoyuan's total liabilities increased by 6% from RMB34,875,329,907 to RMB36,906,964,241.
3. These changes are not material and represent 3% and 6% of China Aoyuan's total assets and liabilities respectively.
4. In light of the above changes, the recovery available to China Aoyuan's creditors in a liquidation scenario as at 30 June 2023 would unlikely be higher than that as at 31 December 2022.
5. Should you have any queries or require any further information, please contact me or Anson Li of this office. Our contact details are set out below:

**Cosimo Borrelli**

Office Direct: +852 3761 3800

Mobile: +852 9492 6393

Email: [cosimo.borrelli@kroll.com](mailto:cosimo.borrelli@kroll.com)

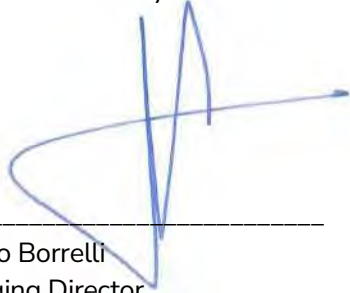
**Anson Li**

Office Direct: +852 3761 3846

Mobile: +852 9125 5968

Email: [anson.li@kroll.com](mailto:anson.li@kroll.com)

Dated this 16th day of October 2023



Cosimo Borrelli  
Managing Director  
Kroll (HK) Limited

**APPENDIX 8**  
**SCHEME CONVENING ORDER**

**Part A**

**CHINA AOYUAN HK SCHEME**

**[See over page]**

IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. 1696 OF 2023

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IN THE MATTER OF CHINA AOYUAN GROUP  
LIMITED (中國奧園集團股份有限公司)

and

IN THE MATTER OF section 670 of the  
Companies Ordinance, Chapter 622 of the  
Laws of Hong Kong

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**BEFORE THE HONOURABLE MR JUSTICE HARRIS IN CHAMBERS**

**ORDER**

**UPON** the application of the above-named China Aoyuan Group Limited (中國奧園集團股份有限公司) (the “**Company**”) by way of *Ex Parte* Originating Summons filed herein on 4 October 2023 (the “**Originating Summons**”)

**AND UPON** reading the Affirmation of Chen Zhi Bin filed herein on 19 October 2023 together with the exhibits referred to therein, the 2<sup>nd</sup> Affirmation of Chen Zhi Bin filed herein on 25 October 2023 together with the exhibits referred to therein and the Affirmation of Li Xiuyuan filed herein on 27 October 2023 together with the exhibits referred to therein

**AND UPON** hearing leading counsel for the Company, leading counsel for China Ping An Insurance Overseas (Holdings) Limited (“**China Ping An**”) and counsel for MDR Limited

**IT IS ORDERED** that:-

1. The Company be at liberty to convene a single meeting of the Scheme Creditors (as defined in the scheme of arrangement hereinafter mentioned) to be held at the offices of Linklaters at 11<sup>th</sup> Floor, Alexandra House, Chater Road, Hong Kong on 28 November 2023 at 8 pm (Hong Kong time) (the “**Scheme Meeting**”) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made between the Company and its Scheme Creditors under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) (the “**Scheme**”), subject to any

adjournment as may be appropriate, with a live video conference linked to the offices of Harney Westwood & Riegels, LP at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands, Cayman Islands.

2. The Chairperson (as defined below) be at liberty to adjourn the Scheme Meeting, in his or her sole discretion, provided that, if adjourned, the Scheme Meeting will recommence as soon as reasonably practicable thereafter; and in the event that the Chairperson considers in his or her sole discretion that it is necessary or appropriate to adjourn the Scheme Meeting, the Company shall cause the Scheme Creditors to be notified that there is an adjournment of the Scheme Meeting and the time of the adjourned Scheme Meeting as soon as practicable (in which case any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting by the means set out in paragraph 3 below).
3. At least 21 days before the day appointed for the Scheme Meeting, a copy of the notice of Scheme Meeting substantially in the form of Appendix 1A and/or Appendix 1B (the “**Notice of Scheme Meeting**”) shall be circulated to the Scheme Creditors:
  - (a) by publication of the Notice of Scheme Meeting on the transaction website: <https://projects.morrowsodali.com/Aoyuan> (the “**Transaction Website**”) and through a public announcement published on The Stock Exchange of Hong Kong Limited;
  - (b) by Morrow Sodali Limited (the “**Information Agent**”) through Euroclear Bank AS/NV and/or Clearstream Banking S.A. and via email to each person whom the Company believes is or may be a Scheme Creditor, and for whom the Information Agent has a valid email address; and
  - (c) in respect of Scheme Creditors under the Existing Syndicated Facilities, Existing Bilateral Facilities (SBLC), Existing Other Offshore Financings, Existing Onshore Facilities, Existing Private Loans and USD100m Noble Prestige Facility (each as defined in the Scheme), by the Company or its advisers to the email address or by prepaid surface mail (in respect of Hong Kong and Macau) or ordinary airmail (to other jurisdictions) to the registered or last known address of such Scheme Creditors in accordance with the notice provisions of the underlying finance documents.
4. When distributing the Notice of Scheme Meeting to the Scheme Creditors in accordance with paragraph 3 above, electronic copies and/or a link to the Transaction Website will be provided to enable Scheme Creditors to view and download the following documents:
  - (a) the Explanatory Statement (which shall include, amongst other documents, the Scheme and the Solicitation Packet (the latter being instructions as to the registration of claims and voting procedures for the purposes of the Scheme Meeting, together

with the Account Holder Letter, Lender Proxy Form and Blocked Scheme Creditor Form); and

- (b) the other documents referred to in the Explanatory Statement as being available on the Transaction Website.
5. At least 21 days before the day appointed for the Scheme Meeting, the Company shall place an advertisement:
    - (a) substantially in the form set out in the English language version of the Notice of Scheme Meeting in The Standard, which is an English language newspaper in circulation in Hong Kong; and
    - (b) substantially in the form set out in the Chinese language version of the Notice of Scheme Meeting in Sing Tao Daily, which is a Chinese language newspaper in circulation in Hong Kong.
  6. The accidental omission to serve any Scheme Creditor with the aforementioned documents, or the non-receipt by any Scheme Creditor of such documents, shall not invalidate the proceedings at the Scheme Meeting or any resolutions passed thereat.
  7. A certified Chinese translation of the Notice of Scheme Meeting and the proposed advertisement in newspapers be dispensed with.
  8. An affirmation be filed by a solicitor of Linklaters who is fluent in both the English and Chinese languages confirming the accuracy of the Chinese translation of the Notice of Scheme Meeting and the proposed advertisement in newspapers.
  9. The Chairperson be permitted to declare and announce the results of the Scheme Creditors' votes in respect of the Scheme, either during the Scheme Meeting or as soon as reasonably practicable after the conclusion of the Scheme Meeting.
  10. The substantive hearing of the petition at which the Court will determine whether or not to sanction the Scheme shall be heard at 10:00 am (Hong Kong time) on 8 January 2024 before the Honourable Mr Justice Harris with two days reserved.
  11. China Ping An and MDR Limited do each file and serve their evidence (if any) by 5 pm on 1 December 2023.
  12. The Company do file and serve further evidence (if any) by 20 December 2023.
  13. The Company do lodge and serve the digital hearing bundles by 27 December 2023.
  14. The Company do lodge and serve its skeleton arguments by 3 pm on 28 December 2023.

15. China Ping An and MDR Limited do each lodge and serve their skeleton arguments (if any) by 3 pm on 3 January 2024.
16. The Company do lodge and serve its skeleton arguments in reply (if any) by 10 am on 5 January 2023.
17. There be liberty to apply generally.

**AND THE COURT HEREBY APPROVED the:-**

- (i) Notices of Scheme Meeting in English and Chinese substantially in the forms of Appendix 1A and 1B hereto;
- (ii) Account Holder Letter substantially in the form of Appendix 2 hereto;
- (iii) Lender Proxy Form substantially in the form of Appendix 3 hereto; and
- (iv) Blocked Scheme Creditor Form substantially in the form of Appendix 4 hereto;

**AND THE COURT HEREBY APPOINTED** Mr Edward Simon Middleton, or failing him, Mr James William Hooper (both of Alvarez & Marsal Asia Limited) to act as the chairperson of the Scheme Meeting (the “**Chairperson**”).

**AND THE COURT ORDERED** that the Chairperson do report the results of the Scheme Meeting to the Court.

Dated the 31<sup>st</sup> day of October 2023.

Registrar



**APPENDIX 1A**  
**Notice of Scheme Meeting (English version)**

**NOTICE OF SCHEME MEETING**

**HCMP 1696 / 2023**

**IN THE HIGH COURT OF THE  
HONG KONG SPECIAL ADMINISTRATIVE REGION  
COURT OF FIRST INSTANCE  
MISCELLANEOUS PROCEEDINGS NO. 1696 OF 2023**

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**IN THE MATTER OF CHINA AOYUAN GROUP  
LIMITED (中國奧園集團股份有限公司)**

**and**

**IN THE MATTER OF section 670 of the  
Companies Ordinance, Chapter 622 of the  
Laws of Hong Kong**

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Unless otherwise defined herein, terms used in this Notice have the same meanings as defined in the explanatory statement (the "**Explanatory Statement**") relating to the proposed schemes of arrangement between China Aoyuan Group Limited (中國奧園集團股份有限公司) (the "**Company**") and the Scheme Creditors (as defined therein) under (i) section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and (ii) sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**"). For the avoidance of doubt, references to "**Scheme Creditors**" in this Notice shall exclude any Sanctioned Scheme Creditors, who are not entitled to vote in the Scheme Meeting and who are required to notify the Company of their status instead.

Copies of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet are available for download from the Transaction Website (<https://projects.morrowsodali.com/Aoyuan>) subject to eligibility and registration.

**NOTICE IS HEREBY GIVEN** that,

- (i) by an order made on [●] 2023 (the "**China Aoyuan Cayman Scheme Convening Order**"), the Grand Court of the Cayman Islands (the "**Cayman Court**") has directed that a meeting of Scheme Creditors (the "**Cayman Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan Cayman Scheme (with or without modification, addition or condition approved or imposed by the Cayman Court); and
- (ii) by an order made on [●] 2023 (the "**China Aoyuan HK Scheme Convening Order**"), the High Court of Hong Kong Special Administrative Region (the "**HK Court**") has directed that a meeting of Scheme Creditors (the "**HK Scheme Meeting**") be convened for the purpose of considering and, if thought fit, approving the China Aoyuan HK Scheme (with or without modification, addition or condition approved or imposed by the

HK Court).

### **Details of Scheme Meeting**

The Cayman Scheme Meeting and the HK Scheme Meeting of the China Aoyuan Schemes (collectively, the “**Scheme Meeting**”) will be held together at the offices of Linklaters at 11th Floor Alexandra House, Chater Road, Hong Kong (“**Linklaters Hong Kong Office**”), at **[●] Hong Kong time on [●] 2023, the equivalent being [●] Cayman Islands time on [●] 2023** with a live video conference linked to the offices of Harney Westwood & Riegels, LP at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands (“**Harneys Cayman Office**”) at **[●] Cayman Islands time on [●] 2023**. The Scheme Meeting is subject to any adjournment as may be appropriate (in which case any changes in arrangements relating to the Scheme Meeting shall be communicated to Scheme Creditors in advance of the Scheme Meeting on the Transaction Website, by way of notice through the Clearing Systems, and by email to Scheme Creditors, Account Holders, Existing Lenders and Intermediaries, for whom the Information Agent has valid contact details).

Scheme Creditors will be able to attend the Scheme Meeting either in person, by a duly authorised representative (if a corporation) or by proxy provided that an Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) has been validly submitted in relation to their Existing Debts. As Scheme Creditors will be able to attend in person at either the Linklaters Hong Kong Office or the Harneys Cayman Office to view the live video conference of the Scheme Meeting; therefore, references to attending and voting at the Scheme Meeting in person in this Notice should, as appropriate, be read as including attending at either the Linklaters Hong Kong Office or the live video conference at the Harneys Cayman Office.

Scheme Creditors do not have to personally attend the Scheme Meeting in order to express their vote, provided that they validly complete and submit their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) by the relevant deadlines, and appoint the Chairperson as their proxy, or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) for the purposes of expressing their vote.

Telephone and video conference facilities will also be made available to Scheme Creditors upon request to (i) the Information Agent (for Scheme Creditors who are not Blocked Scheme Creditors); or (ii) the Blocked Scheme Creditor Tabulation Agent (for Blocked Scheme Creditors), in each case, at least forty-eight (48) hours before the Scheme Meeting. Scheme Creditors who dial in by telephone or video conference facilities will only be able to observe the Scheme Meeting and to ask questions (but not to cast their vote). Scheme Creditors will be sent instructions for dialing in via telephone or video conference upon providing the Information Agent or Blocked Scheme Creditor Tabulation Agent (as applicable) with satisfactory evidence of their identity and/or their authority (in the case of a corporation) to represent the Scheme Creditor.

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they only observe the Scheme Meeting via telephone or video conference rather than attend in person. Should Scheme Creditors wish to vote, they will need to attend the Scheme Meeting in person or by proxy (including appointing the Chairperson as proxy) at the Linklaters Hong Kong Office or at the Harneys Cayman Office. Scheme Creditors who have validly completed and submitted their Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) appointing the Chairperson as proxy or a proxy other than the Chairperson (who attends the Scheme Meeting on their behalf) to express their vote, may in addition, request for the telephone and video conference facilities to observe the Scheme Meeting and to ask questions.

### **Completion of voting forms**

Scheme Creditors may vote in person (or, if a corporation, appoint a duly authorised representative) or appoint the Chairperson as their proxy or appoint a proxy other than the Chairperson to attend and vote in their place. A Scheme Creditor should indicate whether it wishes to attend and vote at

the Scheme Meeting in person (or if a corporation, by a duly authorised representative), or to appoint a proxy to vote on its behalf at the Scheme Meeting in (i) Part 2 (*Voting and Appointment of Proxy*) of the Account Holder Letter or Lender Proxy Form for Scheme Creditors who are not Blocked Scheme Creditors; or (ii) Part 2 (*Voting and Appointment of Proxy*) of the Blocked Scheme Creditor Form for Blocked Scheme Creditors (as applicable).

For the avoidance of doubt, Scheme Creditors, their duly authorised representatives (if a corporation), or their proxies will not be able to cast their vote at the Scheme Meeting should they observe the Scheme Meeting via telephone or video conference facilities rather than attend in person.

By the China Aoyuan Cayman Scheme Convening Order and the China Aoyuan HK Scheme Convening Order (each a “**China Aoyuan Scheme Convening Order**” and together the “**China Aoyuan Scheme Convening Orders**”), the Cayman Court and HK Court have each directed that the persons as set out in Appendix 1 of the respective China Aoyuan Scheme Convening Orders shall not vote in respect of the Scheme Claim at the Scheme Meeting.

#### *Scheme Creditors (who are not Blocked Scheme Creditors)*

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Scheme Creditor must ensure that:

- (i) in respect of the Existing Public Noteholders only, a Custody Instruction is submitted on its behalf by the **Custody Instruction Deadline** (being [●] Hong Kong time on [●], the equivalent being [●] Cayman Islands time on [●]) and in any event prior to submitting an Account Holder Letter (in accordance with the instructions set out in the Account Holder Letter and Solicitation Packet); and
- (ii) the Account Holder Letter or the Lender Proxy Form (as applicable) has been validly completed and submitted on its behalf to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanscheme>) (in accordance with the instructions set out in the Account Holder Letter or the Lender Proxy Form, and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being [●] Hong Kong time on [●] 2023, the equivalent being [●] Cayman Islands time on [●] 2023).

#### *Blocked Scheme Creditors*

Blocked Scheme Creditors are Scheme Creditors that are not entitled, able, permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions license in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

In order to vote on the China Aoyuan Schemes and attend the Scheme Meeting (in person, by a duly authorised representative (if a corporation) or by proxy), a Blocked Scheme Creditor must ensure the Blocked Scheme Creditor Form (including the required supporting evidence to establish their identity, status as a Scheme Creditor and the value of their holding) has been validly completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) (in accordance with the instructions set out in the Blocked Scheme Creditor Form and Solicitation Packet) by no later than the **Voting Instruction Deadline** (being [●] Hong Kong time on [●], the equivalent being [●] Cayman Islands time on [●] 2023).

#### **Registration prior to Scheme Meeting**

Registration at the Scheme Meeting will commence at [●] Hong Kong time on [●] 2023, the equivalent being [●] Cayman Islands time on [●] 2023.

Each Scheme Creditor (or, if a corporation, its duly authorised representative) or its proxy intending to attend the Scheme Meeting in person at the Linklaters Hong Kong Office or at the Harneys Cayman Office: (i) will be required to register its attendance at the Scheme Meeting no later than half an hour prior to the scheduled start time of the Scheme Meeting; and (ii) must produce a duplicate copy of the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form (as applicable) validly completed and submitted by or on behalf of that Scheme Creditor or Blocked Scheme Creditor (as applicable) together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk. If the appropriate personal identification and authorisation evidence is not produced, that person may not be permitted to attend, or vote at, the Scheme Meeting. If a Scheme Creditor appoints the Chairperson as its proxy, there is no need for the Chairperson to take the Account Holder Letter, the Lender Proxy Form or the Blocked Scheme Creditor Form (as applicable) to the Scheme Meeting.

### **Chairperson of Scheme Meeting**

Pursuant to the China Aoyuan Scheme Convening Orders, the Cayman Court and HK Court have each appointed Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong ("**A&M**"), and/or Mr. James William Hooper, a Managing Director of A&M, or such other representative of A&M to act as the Chairperson of the Scheme Meeting and have directed the Chairperson, in their capacity as the Chairperson of the Scheme Meeting, to report the results of the Scheme Meeting to the Cayman Court and HK Court within seven (7) days of the date of the Scheme Meeting. The results of the Scheme Meeting will also be made available on the Transaction Website.

### **Sanction Hearing**

The respective China Aoyuan Schemes, if approved at the Scheme Meeting, will be subject to the subsequent approval and sanction of each of the Cayman Court and HK Court. The China Aoyuan Cayman Scheme Sanction Hearing is presently listed to take place at **10 a.m. Cayman Islands time on 7 December 2023**, the equivalent being **11 p.m. Hong Kong time on 7 December 2023**. The China Aoyuan HK Scheme Sanction Hearing is not yet listed for hearing before the HK Court. Once available, details of the China Aoyuan HK Scheme Sanction Hearing will be made available on the Transaction Website and by an announcement on the website of The Stock Exchange of Hong Kong Limited. Any Scheme Creditor is entitled (but not obliged) to attend the China Aoyuan Cayman Scheme Sanction Hearing and/or China Aoyuan HK Scheme Sanction Hearing, through legal counsel, to support or oppose the sanction of the China Aoyuan Schemes.

### **Further information**

For further information, please contact the Information Agent, the Blocked Scheme Creditor Tabulation Agent or the Company's financial adviser or legal adviser (as applicable), in each case, using the contact details below:

#### **Information Agent**

##### **Morrow Sodali Limited**

Address:

In Hong Kong: 29/F, No. 28 Stanley Street, Central, Hong Kong

In London: 103 Wigmore Street, W1U 1QS, London, United Kingdom

Phone: Hong Kong: + 852 2319 4130 / London: +44 20 4513 6933

Transaction                      Website                      (document                      posting                      website):

<https://projects.morrowsodali.com/Aoyuan>

Scheme Portal (for submission of the Account Holder Letter or the Lender Proxy Form):

<https://portal.morrowsodali.com/aoyuanscheme>

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

**Blocked Scheme Creditor Tabulation Agent**

**Madison Pacific Corporate Services Ltd**

Address:

17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong SAR

Phone: +852 2599 9500

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

**Financial Adviser to the Company**

**KPMG**

Address: 8<sup>th</sup> Floor, Prince's Building, 10 Chater Road, Central, Hong Kong

Phone: +852 2522 6022

Email: [aoyuan.restrucutring@kpmg.com](mailto:aoyuan.restrucutring@kpmg.com)

**Legal Adviser to the Company**

**Linklaters**

Address:

In Hong Kong: 11th Floor, Alexandra House, Chater Road, Hong Kong

In Singapore: 1 George St, Singapore, 049145

Phone: Hong Kong: +852 2842 4888 / Singapore: +65 6692 5700

Email: [dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com)

**Cayman Islands Legal Adviser to the Company**

**Harney Westwood & Riegels**

Address

In the Cayman Islands: 3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

In Hong Kong: 3501, The Center, 99 Queen's Road Central, Hong Kong

Phone: Cayman Islands: +1 345 949 8599 / Hong Kong: +852 5806 7800

Email: [Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**

Dated: [●] 2023

**APPENDIX 1B**  
**Notice of Scheme Meeting (Chinese version)**

## 计划会议通知书

HCMP 1696 / 2023

香港特别行政区高等法院  
原讼法庭  
杂项案件编号：2023 年第 1696 号

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### 关于中国奥园集团股份有限公司 及 关于香港法例第 622 章《公司条例》第 670 条

#### 中国奥园集团股份有限公司

除文中另有定义外，本**通知书**所用词汇与中国奥园集团股份有限公司（“**公司**”）和**计划债权人**（定义见**说明陈述**）根据(i) 开曼群岛《公司法》（2023年修订版）第86 条（“**中国奥园开曼群岛计划**”）及(ii) 香港《公司条例》（第 622 章）第 670条、第673条和第 674 条（“**中国奥园香港计划**”，与**中国奥园开曼群岛计划**合称“**中国奥园计划**”）拟订的安排计划有关的说明陈述（“**说明陈述**”）所定义者具有相同含义。为免生疑问，本**通知书**所提述的“**计划债权人**”不包括任何**受制裁计划债权人**，后者无权在**计划会议**上投票，并且必须将其情况通知**公司**。

中国奥园计划、说明陈述和招揽文件包的副本可从**交易网站**

（<https://projects.morrowsodali.com/Aoyuan>）下载，前提是须符合资格条件并进行登记。

#### 特此就下列事项发出通知：

- (i) 根据2023年[●]发布的命令（“**中国奥园开曼群岛计划召开令**”），开曼群岛大法院（“**开曼群岛法院**”）指示召开**计划债权人会议**（“**开曼群岛计划会议**”），以审议并酌情批准**中国奥园开曼群岛计划**（无论是否经**开曼群岛法院**批准作出修改、补充，无论是否附带其批准或施加的条件）；以及
- (ii) 根据2023年[●]发布的命令（“**中国奥园香港计划召开令**”），香港特别行政区高等法院（“**香港法院**”）指示召开**计划债权人会议**（“**香港计划会议**”），以审议并酌情批准**中国奥园香港计划**（无论是否经**香港法院**批准作出修改、补充，无论是否附带其批准或施加的条件）。

#### 计划会议的细节

中国奥园计划的**开曼群岛计划会议**及**香港计划会议**（合称为“**计划会议**”）将于**香港时间2023年[●]月[●]日[●]**（相当于**开曼群岛时间2023年[●]月[●]日[●]**）在年利达律师事务所位于香港遮打道历山大厦11楼的办公地址（“**年利达香港办事处**”）一并举行，并于**开曼群岛时间2023年[●]月[●]日[●]**在Harney Westwood & Riegels, LP位于3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands 的办公地址（“**衡力斯开曼群岛办事处**”）连接举行现场视频会议。**计划会议**可酌情延期举行（在此情况下，有关**计划会议**安排的任何变更应于**计划会议**前在**交易网站**上、以通过**结算系统**发出通知的方式及向**计划债权人**、**账户持有人**、**现有贷款人**和**中介机构**（**信息代理**拥有其有效联系方式）发出电邮的方式通知**计划债权人**）。



计划债权人可亲自、由正式授权代表（如为法团）或委任代表出席计划会议，前提是已就其现有债务有效提交账户持有人函、贷款人代表委任表或受禁计划债权人表（视情况而定）。由于计划债权人可以前往年利达香港办事处参会或以在衡力斯开曼群岛办事处观看计划会议的现场视频会议的方式亲自出席；因此，在本通知书中所提及的亲自出席计划会议及于会上投票，应视情况被视为包括前往年利达香港办事处参会或在衡力斯开曼群岛办事处参加现场视频会议。

计划债权人不必为行使投票权而亲自出席计划会议，前提是其已在有关截止时间之前有效填写并提交其账户持有人函、贷款人代表委任表或受禁计划债权人表（视情况而定），并委任主席或主席以外之代表（代表其出席计划会议）担任其代表以行使投票权。

计划债权人如在计划会议举行至少四十八（48）小时前向（i）信息代理（适用于非受禁计划债权人的计划债权人）或（ii）受禁计划债权人计票代理（适用于受禁计划债权人）提出要求，亦可使用电话及视频会议设施。通过电话或视频会议拨入的计划债权人仅可列席计划会议及提问（但不能投票）。在向信息代理或受禁计划债权人计票代理（视情况而定）提供其身份及/或代表计划债权人之权限（如为法团）的适当证明后，计划债权人将收到电话或视频会议的拨入说明。

为免生疑问，计划债权人、其正式授权代表（如为法团）或其委任代表若仅通过电话或视频会议列席而非亲自出席计划会议，则不能在计划会议上投票。若计划债权人希望投票，则需要在年利达香港办事处或在衡力斯开曼群岛办事处亲自出席或委任代表（包括委任主席担任代表）出席。有效填写并提交账户持有人函、贷款人代表委任表或受禁计划债权人表（视情况而定）委任主席或主席以外之代表（代表其出席计划会议）作为代表投票的计划债权人可以额外申请电话和视频会议设施以列席计划会议及提问。

#### 填写投票表

计划债权人可亲自（或如为法团，则委任正式授权代表）或委任主席为受委代表或委任主席以外的受委代表代其出席计划会议并在会上投票。计划债权人应当(i)对非受禁计划债权人而言，在账户持有人函或贷款人代表委任表第 2 部分（投票及委任代表）；或 (ii) 对受禁计划债权人而言，在受禁计划债权人表第 2 部（投票及委任代表）（视情况而定），表明是否希望亲自（或如为法团，则由正式授权代表）出席计划会议并在会上投票，或委任代表代其在计划会议上投票。

为免生疑问，计划债权人、其正式授权代表（如为法团）或其受委代表如通过电话或视频会议设施列席而非亲自出席计划会议，将无法在计划会议上投票。

根据中国奥园开曼群岛计划召开令和中国奥园香港计划召开令（分别并合称为“中国奥园计划召开令”），开曼群岛法院和香港法院已分别指示，中国奥园计划召开令附录 1 所列人士不得在计划会议上就计划申索投票。

#### 计划债权人（非受禁计划债权人）

为就中国奥园计划投票并出席计划会议（亲自、由正式授权代表（如为法团）或受委代表），计划债权人必须确保：

- (i) 仅就现有公众持票人而言，在托管指示截止日期（即香港时间[•]年[•]月[•]日[•]，相当于开曼群岛时间[•]年[•]月[•]日[•]）前，且无论如何，在提交账户持有人函前，托管指示已代表其提交（根据账户持有人函及招揽文件包所载指示）；及
- (ii) 账户持有人函或贷款人代表委任表（视情况而定）已有效填妥，并代表其于不迟于投票指示截止日期（即香港时间2023年[•]月[•]日[•]，相当于开曼群岛时间2023年[•]月[•]日[•]）通过计划门户网站（<https://portal.morrowsodali.com/aoyuanscheme>）提交予信息代理，并由信息代理接收。

## **受禁计划债权人**

**受禁计划债权人**指因影响**计划债权人**或其托管人的任何**适用制裁**而无权、不能、不获允许（不论直接或通过托管人）通过**结算系统**提交指示或进行结算的**计划债权人**，且其并未就**适用制裁**获发容许该**计划债权人**自由交易**计划对价权益**及通过**结算系统**提交指示或进行结算的制裁许可证。

为就**中国奥园计划**投票及出席**计划会议**（亲自、由正式授权代表（如为法团）或受委代表），**受禁计划债权人**必须确保已填妥**受禁计划债权人表**（包括所需证明其身份、**计划债权人**地位及持有价值的证明文件），并于不迟于**投票指示截止日期**（即香港时间2023年[●]月[●]日[●]，相当于开曼群岛时间2023年[●]月[●]日[●]）通过电邮 Aoyuan@madisonpac.com（根据**受禁计划债权人表**及**招揽文件包**所载指示）送交**受禁计划债权人计票代理**并由其接收。

## **在计划会议前登记**

**计划会议**的登记将从香港时间2023年[●]月[●]日[●]，相当于开曼群岛时间2023年[●]月[●]日[●]开始。

有意亲自前往**年利达香港办事处**或**衡力斯开曼群岛办事处**出席**计划会议**的各**计划债权人**（或如为法团，则其正式授权代表）或其受委代表：(i) 须于**计划会议**预定开始时间前至少半小时登记出席**计划会议**；及 (ii) 必须在登记柜台出示由该**计划债权人**或**受禁计划债权人**（视情况而定）或代其有效填妥及递交的**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）的副本，连同公司授权证明（如为法团）（例如有效授权书及 / 或董事会决议案）及个人身份证明（即有效护照正本或其他政府签发的附有照片的身份证明文件正本）。如果未出示适当的个人身份证明和授权证明，该人士将不被允许出席**计划会议**或在**计划会议**上投票。如**计划债权人**委任**主席**为其代表，**主席**无须携带**账户持有人函**、**贷款人代表委任表**或**受禁计划债权人表**（视情况而定）出席**计划会议**。

## **计划会议主席**

根据**中国奥园计划**召开令，**开曼群岛法院**及**香港法院**已分别委任 Alvarez & Marsal Asia Limited（“**A&M**”）（地址为香港中环雪厂街2号圣佐治大厦4楼405-7室）董事总经理 Edward Simon Middleton 先生及 / 或 **A&M** 董事总经理 James William Hooper 先生或 **A&M** 的其他代表担任**计划会议主席**，并指示**主席**以**计划会议主席**的身份，在**计划会议**日期后七（7）天内向**开曼群岛法院**及**香港法院**报告**计划会议**的结果。**计划会议**的结果也将在**交易网站**上公布。

## **认许聆讯**

如在**计划会议**上获得批准，**中国奥园计划**随后须分别获得**开曼群岛法院**及**香港法院**的批准和认许。**中国奥园开曼群岛计划认许聆讯**目前定于**开曼群岛时间**2023年12月7日上午10时，相当于**香港时间**2023年12月7日下午11时进行。**中国奥园香港计划认许聆讯**尚未在**香港法院**排期。**中国奥园香港计划认许聆讯**的详情一旦公布，将在**交易网站**上公布，并在**香港联合交易所有限公司**网站上发布公告。任何**计划债权人**均有权（但非必须）通过法律代表出席**中国奥园开曼群岛计划认许聆讯**及 / 或**中国奥园香港计划认许聆讯**，以支持或反对认许**中国奥园计划**。

## **进一步信息**

如需了解更多信息，请通过以下联系方式联系**信息代理**、**受禁计划债权人计票代理**或公司的财务顾问或法律顾问（视情况而定）：

### **信息代理**

**Morrow Sodali Limited**

地址:

香港: 香港中环士丹利街28号29楼

伦敦: 103 Wigmore Street, W1U 1QS, London, United Kingdom

电话: 香港: + 852 2319 4130 / 伦敦: +44 20 4513 6933

交易网站(文件发布网站): <https://projects.morrowsodali.com/Aoyuan>

计划门户网站(用于提交账户持有人函或贷款人委任表):  
<https://portal.morrowsodali.com/aoyuanscheme>

电邮: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

**受禁计划债权人计票代理****Madison Pacific Corporate Services Ltd**

地址:

香港特别行政区香港金钟夏慼道16远东金融中心17楼

电话: +852 2599 9500

电邮: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

**公司的财务顾问****KPMG**

地址: 香港中环遮打道10号太子大厦8楼

电话: +852 2522 6022

电邮: [aoyuan.restrucutring@kpmg.com](mailto:aoyuan.restrucutring@kpmg.com)

**公司的法律顾问****年利达**

地址:

香港: 香港遮打道历山大厦 11 楼

新加坡: 1 George St, Singapore, 049145

电话: 香港: +852 2842 4888 / 新加坡: +65 6692 5700

电邮: [dlaoyuanlinklaters@linklaters.com](mailto:dlaoyuanlinklaters@linklaters.com)

**公司的开曼群岛法律顾问****Harney Westwood & Riegels**

地址:

开曼群岛: 3<sup>rd</sup> Floor, Harbour Place, 103 South Church Street, Grand Cayman, KY1-1002

香港：香港中环皇后大道中 99 号中环中心3501室

电话：开曼群岛：+1 345 949 8599 / 香港：+852 5806 7800

电邮：[Projectgarden@harneys.com](mailto:Projectgarden@harneys.com)

**中国奥园集团股份有限公司**

日期：2023年[●]月[●]日

**APPENDIX 2**  
**Account Holder Letter**

## SCHEDULE 1

### ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)<sup>1</sup>

For use by Account Holders in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>1</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

This Account Holder Letter is **only** to be completed by Existing Public Noteholders (or by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder). If an Existing Public Noteholder is not an Account Holder, it must ensure that it submits its voting instructions, votes and elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Voting Instruction Deadline in order for the Existing Public Noteholder to vote at the Scheme Meetings. If you are not sure whether you are an Account Holder or an Existing Public Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on [●] 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on [●] 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Public Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Public Notes and/or the owner of the ultimate economic interest in any of the Existing Public Notes, who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Existing Public Noteholders must use this Account Holder Letter (by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Public Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive

their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Account Holder Letter is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being [●] 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 5 a.m. BVI time on [●] 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).



A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Public Noteholder to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes and/or the Add Hero Schemes. Any Designated Recipient appointed by an Existing Public Noteholder must hold its account with the same Account Holder as that Existing Public Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

### **Blocking Existing Public Notes**

Any Existing Public Noteholder that procures the submission of an Account Holder Letter by the Voting Instruction Deadline to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date must first block its Existing Public Notes by ensuring that its Account Holder, prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>), submits a Custody Instruction prior to the Custody Instruction Deadline and includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number. An Account Holder Letter that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purpose of voting at the Scheme Meeting and/or receiving any Scheme Consideration Entitlement on the Restructuring Effective Date and China Aoyuan and Add Hero each reserves the right to reject any such Account Holder Letter.

On the Restructuring Effective Date, the Existing Public Notes will be irrevocably cancelled and marked down in the Clearing Systems and thereafter will not be capable of being traded in the Clearing Systems.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the

transmission of your submission. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Public Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim (in respect of the Existing Public Notes) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete this Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submissions): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING NOTEHOLDER, ACCOUNT HOLDER AND PUBLIC HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Public Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Public Noteholder	
Section 2	Account Holder Details	
Section 3	Details of Holdings	
Section 4	Account Holder Confirmations	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Account Holder for and on behalf of the Existing Public Noteholder if the Existing Public Noteholder would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Account Holder Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>Only if the Existing Public Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Public Noteholder (if applicable)</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Existing Public Noteholder in order for the Existing Public Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	

Annex C	Aoyuan Instruments and Add Hero Securities Form	<i>For the avoidance of doubt, an Existing Public Noteholder does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
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## PART 1

### EXISTING PUBLIC NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Account Holder Letter, an Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Public Noteholder will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms.

#### **Section 1** Details of the Existing Public Noteholder

Please identify the Existing Public Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Public Notes, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Public Noteholders:**

Type of Existing Public Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Public Noteholder: \_\_\_\_\_

Is the Existing Public Noteholder an Eligible Person<sup>2</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Public Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Public Noteholder: \_\_\_\_\_

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<sup>2</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>3</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>3</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Public Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Public Noteholder. Account Holders are not Existing Public Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Public Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

### **Section 3      Details of Holdings**

The Account Holder holds the following Existing Public Notes to which this Account Holder Letter relates which have been "blocked" at the Record Date. Existing Public Notes must have been "blocked" through delivery of a Custody Instruction to the relevant Clearing System prior to the Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount blocked at Clearing System<sup>4</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>5</sup></b>	<b>Accession Code (if applicable)<sup>6</sup></b>
XS1611005957					
XS2282587505					
XS1937690128					
XS2264537684					
XS2378476951					
XS1952585112					
XS2014471432					
XS2196807833					
XS2351242461					
XS2258822233					
XS2233109409					
XS2307633565					

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<sup>4</sup> The amount entered should be the entire principal amount of Existing Public Notes in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Public Noteholder pursuant to this Account Holder Letter. If the Account Holder holds Existing Public Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>5</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Public Noteholder.

<sup>6</sup> The unique code provided by the Information Agent to an Existing Public Noteholder that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Public Noteholder in its Account Holder Letter in order to be eligible to receive an RSA Fee.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Public Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Public Noteholder: (i) holds the Existing Public Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; (ii) will ensure that such Existing Public Notes remain blocked in the relevant Clearing System until cancelled or unblocked in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes or as otherwise agreed by China Aoyuan or Add Hero (as applicable); and (iii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that China Aoyuan or Add Hero (as applicable) shall be entitled to treat such Existing Public Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the Scheme Consideration Entitlement in respect of such holding of Existing Public Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Public Noteholder voting or receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes and both of the Add Hero Schemes on the Restructuring Effective Date:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Public Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Public Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, Add Hero Notes, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder: \_\_\_\_\_

Date: \_\_\_\_\_



## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Public Noteholder intends to vote at the Scheme Meeting.**

#### **Section 1 Account Holder Voting Confirmations**

The Account Holder named in this Account Holder Letter for itself hereby confirms to China Aoyuan, Add Hero and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and every obligation of the Account Holder under this Account Holder Letter shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Account Holder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Account Holder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Account Holder and that all of the information in this Account Holder Letter is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Existing Public Notes identified in Section 3 (*Details of Holdings*) of Part 1 (*Existing Public Noteholder, Account Holder and Holdings Details*) of this Account Holder Letter, the Account Holder has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for an Existing Public Noteholder to be eligible to vote (either in person or by proxy), an Account Holder must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Account Holder Letter to the Information Agent, the Account Holder confirms that the Existing Public Noteholder agrees that the Existing Public Noteholder shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Information Agent as at the date on which this Account Holder Letter is delivered to the Information Agent.

1. Each Existing Public Noteholder who submits, delivers or procures the delivery of an Account Holder Letter represents, warrants and undertakes to China Aoyuan, Add Hero and the Information Agent that:
  - (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;

- (b) to the best of its knowledge, it is lawful to seek voting instructions from that Existing Public Noteholder in respect of the China Aoyuan Schemes and the Add Hero Schemes;
- (c) it is assuming all of the risks inherent in that Existing Public Noteholder participating in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes for that Existing Public Noteholder;
- (d) the Existing Public Notes which are the subject of the Account Holder Letter are, at the time of delivery of such Account Holder Letter, held by it (directly or indirectly) or on its behalf at the relevant Clearing System;
- (e) it has not given voting instructions or submitted an Account Holder Letter with respect to the Existing Public Notes other than those that are the subject of this Account Holder Letter;
- (f) it authorises the Clearing Systems to provide details concerning its identity, the Existing Public Notes which are the subject of the Account Holder Letter and delivered on its behalf and its applicable account details to China Aoyuan, Add Hero, the Chairperson, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
- (g) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Public Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Public Noteholder as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Public Noteholder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Public Noteholder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Public Noteholder;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Public Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Existing Public Noteholder, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
- (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Existing Public Noteholder that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2      Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

**In respect of the China Aoyuan Schemes:**

The Existing Public Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>7</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>7</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit.<sup>8</sup>

The Existing Public Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>7</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit:<sup>7</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>7</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>8</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**In respect of the Add Hero Schemes:**

The Existing Public Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>9</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>9</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit.<sup>10</sup>

The Existing Public Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>9</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Public Noteholder or its proxy thinks fit:<sup>9</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>9</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>10</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Existing Public Noteholder is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Public Noteholder.
2. Any Existing Public Noteholder or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Account Holder Letter validly completed and submitted on behalf of that Existing Public Noteholder together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Account Holder Letter should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes and the Add Hero Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent the performance of such obligation requires the submission of an Account Holder Letter (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Explanatory Statements and the Solicitation Packet.

## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>7</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement, the Existing Public Noteholder must be an Eligible Person or the Existing Public Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Public Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Public Noteholder who is an Eligible Person is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Public Noteholder. An Existing Public Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Public \_\_\_\_\_  
Noteholder:

The Existing Public Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

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<sup>7</sup> It is not mandatory for an Existing Public Noteholder to have the Designated Recipient Form completed. An Existing Public Noteholder should only have it completed if such an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Public Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the  
Designated Recipient is an  
individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which was used when the Existing Public Notes were instructed since Aoyuan New Securities, Transfer Shares and Add Hero Notes can only be provided to accounts which provided instructions via the Custody Instruction Reference Number. A third party Euroclear or Clearstream account cannot be used.**



The **Existing Public Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to China Aoyuan, Add Hero, the Chairperson and the Information Agent that, in relation to the Existing Public Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee/representative name:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Public Noteholder that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares, New Shares, Add Hero Notes Entitlement and Cash Consideration Entitlement on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Public Noteholder and, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Public Notes Trustee that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Public Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Public Notes Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Public Notes Indentures are each governed by New York law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,
- but provided always that the Existing Public Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to China Aoyuan and Add Hero (as applicable) to execute certain documents on behalf of the Existing Public Noteholders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, in consideration of the rights provided to the Existing Public Noteholders under the China Aoyuan Schemes, the Add Hero Schemes, the Existing Public Noteholder and, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, China Aoyuan and Add Hero (as applicable) as its attorney and agent and irrevocably authorises, directs, instructs and empowers China Aoyuan and Add Hero (as applicable) (represented by any duly authorised representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes; and
- (b) irrevocably authorises, directs, instructs and empowers each Existing Public Notes Administrative Party, the Scheme Administrators, the Information Agent, each Aoyuan New Securities Administrative Party and each Add Hero Notes Administrative Party to, on behalf of that Existing Public Noteholder (including any person to whom an Existing Public Noteholder has transferred all or any part of its interest in and/or title to the Existing Public Notes or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes and the Add Hero Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes.

#### **4. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Account Holder on behalf of the Existing Public Noteholder irrevocably directs:
  - (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

#### **5. Distribution of the New Shares**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Public Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Public Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

## **6. Distribution of the Cash Consideration**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Public Noteholder (or its Designated Recipient) by transferring the same to the cash account linked to the securities account in the Clearing Systems designated by the Existing Public Noteholder (or its Designated Recipient) in its validly completed Account Holder Letter or Designated Recipient Form (as applicable).

## **7. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Public Noteholder has appointed a Designated Recipient, the Existing Public Noteholder will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Public Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) it has submitted instructions to block its Existing Public Notes held with Euroclear or Clearstream, as applicable, and accordingly, from the date on which it delivers its Account Holder Letter it will not sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Public Notes until the earliest of the following circumstances: (i) the Restructuring Effective Date (at which time the Existing Public Notes will be cancelled); (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; and (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Public Notes which are the subject of the Account Holder Letter and its applicable account details to China Aoyuan, Add Hero, the Existing Public Notes Trustee and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (f) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Trustee, the Advisers, the Chairperson or the Information Agent with regard to the

tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;
- (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;
- (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
- (j) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the relevant scheme sanction hearings;
- (k) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Public Notes Trustee, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
- (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.

2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.



## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act; and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor

for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE**

**SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;

- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan

Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and the Add Hero Securities.

## Sanctions law confirmations and undertakings

2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Chairperson, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Public Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is:
    - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United

Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));

- (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Public Noteholder expressly acknowledges and confirms that the Existing Public Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Public Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

(a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;

(b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and the Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and

(c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or

(d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Public Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.



The Existing Public Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Public Noteholder or on behalf of the Existing Public Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Public Noteholder; or (ii) act as Account Holder on behalf of the Existing Public Noteholder or Designated Recipient (please tick only one, as applicable):

☐ Existing Public Noteholder

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

## SCHEDULE 2

### ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)<sup>8</sup>

For use by Account Holders in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

This Account Holder Letter is **only** to be completed by Existing Private Noteholders (or by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder). If an Existing Private Noteholder is not an Account Holder, it must ensure that it submits its voting instructions, votes and elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Voting Instruction Deadline in order for the Existing Private Noteholder to vote at the Scheme Meetings. If you are not sure whether you are an Account Holder or an Existing Private Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on [●] 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Private Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Private Notes and/or the owner

<sup>8</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

of the ultimate economic interest in any of the Existing Private Notes who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Existing Private Noteholders must use this Account Holder Letter (by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Private Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Account Holder Letter is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being [●] 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).

A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Private Noteholder to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes. Any Designated Recipient appointed by an Existing Private Noteholder must hold its account with the same Account Holder as that Existing Private Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### **Blocking Existing Private Notes**

Any Existing Private Noteholder that procures the submission of an Account Holder Letter by the Voting Instruction Deadline to vote at the Scheme Meeting and/or receive any Scheme Consideration Entitlement on the Restructuring Effective Date must first block its Existing Private Notes by ensuring that its Account Holder, **prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>)**, submits a Custody Instruction prior to the Custody Instruction Deadline and includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number. An Account Holder Letter that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purpose of voting at the Scheme Meeting and/or receiving any Scheme Consideration Entitlement on the Restructuring Effective Date and the Company reserves the right to reject any such Account Holder Letter.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Private Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

This Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Private Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections

to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**FOR ASSISTANCE CONTACT**

**Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING NOTEHOLDER, PRIVATE ACCOUNT HOLDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Private Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Private Noteholder	
Section 2	Account Holder Details	
Section 3	Details of Holdings	
Section 4	Account Holder Confirmations	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Account Holder for and on behalf of the Existing Private Noteholder if the Existing Private Noteholder would like to vote on the China Aoyuan Schemes</i>
Section 1	Account Holder Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>Only if the Existing Private Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Private Noteholder (if applicable)</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Existing Private Noteholder in order for the Existing Private Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	

Annex C	Aoyuan Instruments Form	<i>For the avoidance of doubt, an Existing Private Noteholder does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes</i>
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## PART 1

### EXISTING PRIVATE NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Account Holder Letter, an Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Private Noteholder will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Existing Private Noteholder**

Please identify the Existing Private Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Private Notes, held in global form and/or the restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Private Noteholders:**

Type of Existing Private Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Private Noteholder: \_\_\_\_\_

Is the Existing Private Noteholder an Eligible Person<sup>9</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Private Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Private Noteholder: \_\_\_\_\_

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<sup>9</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>10</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>10</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Private Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Private Noteholder. Account Holders are not Existing Private Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Private Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

### **Section 3**      **Details of Holdings**

The Account Holder holds the following Existing Private Notes to which this Account Holder Letter relates which have been "blocked" at the Record Date. Existing Private Notes must have been "blocked" through delivery of a Custody Instruction to the relevant Clearing System prior to the Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount blocked at Clearing System<sup>11</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>12</sup></b>	<b>Accession Code (if applicable) <sup>13</sup></b>
<b><i>Existing Private Notes</i></b>					
XS2190931365					
XS2372877469					
XS2265803283					
XS2282540025					

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<sup>11</sup> The amount entered should be the entire principal amount of Existing Private Notes in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Private Noteholder pursuant to this Account Holder Letter. If the Account Holder holds Existing Private Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>12</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Private Noteholder.

<sup>13</sup> The unique code provided by the Information Agent to an Existing Private Noteholder that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Private Noteholder in its Account Holder Letter in order to be eligible to receive an RSA Fee.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Private Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Private Noteholder: (i) holds the Existing Private Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; (ii) will ensure that such Existing Private Notes remain blocked in the relevant Clearing System until cancelled or unblocked in accordance with the terms of the China Aoyuan Schemes or as otherwise agreed by the Company; and (iii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that the Company shall be entitled to treat such Existing Private Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the Scheme Consideration Entitlement in respect of such holding of Existing Private Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Private Noteholder voting or receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes on the Restructuring Effective Date:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Private Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Private Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder: \_\_\_\_\_

Date: \_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Private Noteholder intends to vote at the Scheme Meeting.**

#### **Section 1 Account Holder Voting Confirmations**

The Account Holder named in this Account Holder Letter for itself hereby confirms to the Company and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Account Holder Letter and every obligation of the Account Holder under this Account Holder Letter shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Account Holder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Account Holder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Account Holder and that all of the information in this Account Holder Letter is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Private Notes identified in Section 3 (*Details of Holdings*) of Part 1 (*Existing Private Noteholder, Account Holder and Holdings Details*) of this Account Holder Letter, the Account Holder has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Account Holder Letter to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for an Existing Private Noteholder to be eligible to vote (either in person or by proxy), an Account Holder must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Account Holder Letter to the Information Agent, the Account Holder confirms that the Existing Private Noteholder agrees that the Existing Private Noteholder shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Information Agent as at the date on which this Account Holder Letter is delivered to the Information Agent.

1. Each Existing Private Noteholder who submits, delivers or procures the delivery of an Account Holder Letter represents, warrants and undertakes to the Company and the Information Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) to the best of its knowledge, it is lawful to seek voting instructions from that Existing Private Noteholder in respect of the China Aoyuan Schemes;

- (c) it is assuming all of the risks inherent in that Existing Private Noteholder participating in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes for that Existing Private Noteholder;
- (d) the Existing Private Notes which are the subject of the Account Holder Letter are, at the time of delivery of such Account Holder Letter, held by it (directly or indirectly) or on its behalf at the relevant Clearing System;
- (e) it has not given voting instructions or submitted an Account Holder Letter with respect to the Existing Private Notes other than those that are the subject of this Account Holder Letter;
- (f) it authorises the Clearing Systems to provide details concerning its identity, the Existing Private Notes which are the subject of the Account Holder Letter and delivered on its behalf and its applicable account details to the Company, the Chairperson, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
- (g) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Private Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Private Noteholder as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Private Noteholder (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Private Noteholder (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Private Noteholder;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade

sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Private Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Existing Private Noteholder, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

2. Any Existing Private Noteholder that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Existing Private Noteholder wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>18</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>18</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Private Noteholder or its proxy thinks fit.<sup>19</sup>

The Existing Private Noteholder wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>18</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Private Noteholder or its proxy thinks fit:<sup>18</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>18</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>19</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.



## **IMPORTANT NOTES:**

1. Unless an Existing Private Noteholder is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Private Noteholder.
2. Any Existing Private Noteholder or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Account Holder Letter validly completed and submitted on behalf of that Existing Private Noteholder together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Account Holder Letter should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of an Account Holder Letter (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet.

## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>14</sup>

To be eligible to receive its Aoyuan New Securities Entitlement and Transfer Shares Entitlement, the Existing Private Noteholder must be an Eligible Person or the Existing Private Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Private Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Private Noteholder, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Private Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Private Noteholder. An Existing Private Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Private Noteholder: \_\_\_\_\_

The Existing Private Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient (select one): PHYSICAL PERSON / ORGANISATION

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

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<sup>14</sup> It is not mandatory for an Existing Private Noteholder to have the Designated Recipient Form completed. An Existing Private Noteholder should only have it completed if such an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Private Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and  
China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise  
attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which  
was used when the Existing Private Notes were instructed since Aoyuan New Securities and  
Transfer Shares can only be provided to accounts which provided instructions via the  
Custody Instruction Reference Number. A third party Euroclear or Clearstream account  
cannot be used.**

The **Existing Private Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to the Company, the Chairperson and the Information Agent that, in relation to the Existing Private Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee/representative name:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Private Noteholder that wishes to receive its Aoyuan New Securities Entitlement and Transfer Shares Entitlement on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
  - (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Existing Private Noteholder and, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Private Notes Fiscal Agent that with effect from the Restructuring Effective Date:
  - (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Private Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Existing Private Notes Instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Private Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to the Company to execute certain documents on behalf of the Existing Private Noteholders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes, in consideration of the rights provided to the Existing Private Noteholders under the China Aoyuan Schemes, the Existing Private Noteholder and, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised

representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes; and

- (b) irrevocably authorises, directs, instructs and empowers each Existing Private Notes Administrative Party, the Scheme Administrators, the Information Agent, and each Aoyuan New Securities Administrative Party to, on behalf of that Existing Private Noteholder (including any person to whom an Existing Private Noteholder has transferred all or any part of its interest in and/or title to the Existing Private Notes or otherwise all or any part of its Scheme Claim after the Record Date), undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes.

#### **4. Distribution of the Aoyuan New Securities and Transfer Shares**

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Account Holder on behalf of the Existing Private Noteholder irrevocably directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

#### **5. Distribution of the New Shares**

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Private Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Existing Private Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Private Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Private

Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.



## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Private Noteholder has appointed a Designated Recipient, the Existing Private Noteholder will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Existing Private Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) it has submitted instructions to block its Existing Private Notes held with Euroclear or Clearstream, as applicable, and accordingly from the date on which it delivers its Account Holder Letter it will not sell, transfer, assign or otherwise dispose of its interest in all or any part of its specified Existing Private Notes until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; and (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clause 13.1 and/or 13.2 therein;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Private Notes which are the subject of the Account Holder Letter and its applicable account details to the Company, the Existing Private Notes Fiscal Agent and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (f) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Private Notes Fiscal Agent, the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private

Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;
  - (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (j) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (k) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Private Notes Fiscal Agent, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;

- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;

- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Private Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such



funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Private Noteholder expressly acknowledges and confirms that the Existing Private Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Private Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Private Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Existing Private Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Private Noteholder or on behalf of the Existing Private Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Private Noteholder; or (ii) act as Account Holder on behalf of the Existing Private Noteholder or Designated Recipient (please tick only one, as applicable):

☐ Existing Private Noteholder

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

**APPENDIX 3**  
**Lender Proxy Form**

### SCHEDULE 3

#### LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND USD100M NOBLE PRESTIGE FACILITY)<sup>15</sup>

For use by Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders in respect of

The facility agreement in respect of the HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Company Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time

The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

The facility agreement in respect of the HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

(together the "**Existing Syndicated Facilities**")

The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time

(the "**USD100m Noble Prestige Facility**")

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the Company's schemes of arrangement under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on [●] 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on [●] 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction

<sup>15</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

to or through a Clearing System). For the purposes of this Lender Proxy Form, references to "**Scheme Creditors**" shall mean (i) the Scheme Creditors or a lender of record under any of the Existing Syndicated Facilities and/or any Person who has a beneficial interest as principal under any of the Existing Syndicated Facilities (the "**Existing Syndicated Facilities Lenders**"), and/or (ii) the Scheme Creditors or a lender of record under any of the USD100m Noble Prestige Facility and/or any Person who has a beneficial interest as principal under any of the USD100m Noble Prestige Facility (the "**USD100m Noble Prestige Lenders**"), who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders must use this Lender Proxy Form to: (a) register details of their interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Lender Proxy Form is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being [●] 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 5 a.m. BVI time on [●] 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.

- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes and/or the Add Hero Schemes. Any Designated Recipient appointed by an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must hold its account with the same Account Holder as that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes, and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

### Online Lender Proxy Form

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.



A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim (in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete this Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and signed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i>
Section 1	Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>If the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i>

<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	
Annex A	General confirmations, acknowledgements, warranties and undertakings	<p><i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order for the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i></p> <p><i>For the avoidance of doubt, an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes and the Add Hero Schemes</i></p>
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments and Add Hero Securities Form	

## PART 1

### EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Lender Proxy Form, a Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms.

#### **Section 1** Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender

Please identify the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders:**

Type of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (select one):  
PHYSICAL PERSON / ORGANISATION

Full name of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender: \_\_\_\_\_

Is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender an Eligible Person<sup>16</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

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<sup>16</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

**To be completed if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is an institution/corporation:**

Jurisdiction of incorporation of  
Existing Syndicated Facilities  
Lender and/or USD100m Noble  
Prestige Lender:

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**To be completed by all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who are Eligible Persons) in order to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and the Add Hero Notes Entitlement:**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**All Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who: (i) are not Eligible Persons and who wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and the Add Hero Notes Entitlement); or (ii) are Eligible Persons but still wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and the Add Hero Notes Entitlement in any event, have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**

**To be completed by Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders Existing Lenders to receive the Cash Consideration Entitlement pursuant to the Add Hero Schemes and for Eligible Consenting Creditors the RSA Fee:**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

## Section 2 Details of Holdings

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender holds the following Existing Loans Debt in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility to which this Lender Proxy Form relates as at the Record Date:

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>17</sup>
<b>Existing Syndicated Facilities</b>						
ESF19HKD1131 For HKD	The HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019,					

<sup>17</sup> The unique code provided by the Information Agent to an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in its Lender Proxy Form in order to be eligible to receive an RSA Fee.

\* Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>17</sup>
ESF19USD2000 For USD	entered into between, among others, China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time					
ESF20HKD1055 For HKD	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or					
ESF20USD9500 For USD						



Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>17</sup>
	supplemented from time to time					
ESF21HKD1598 For HKD	The HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time					
ESF21USD2000 For USD						
USD100m Noble Prestige Facility						

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>17</sup>
EBF20USD1000	The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time					

**SIGNING:**

Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender's authorised employee /  
representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender intends to vote at the Scheme Meeting.**

#### **Section 1 Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender Voting Confirmations**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender named in this Lender Proxy Form for itself hereby confirms to China Aoyuan, Add Hero and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Lender Proxy Form and every obligation of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender under this Lender Proxy Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and that all of the information in this Lender Proxy Form is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility identified in Section 2 (*Details of Holdings*) of Part 1 (*Existing Syndicated Facilities Lender and USD100m Noble Prestige Lender and Holdings Details*) of this Lender Proxy Form, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to be eligible to vote (either in person or by proxy), an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Lender Proxy Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender confirms that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender agrees that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Information Agent as at the date on which this Lender Proxy Form is delivered to the Information Agent.

1. Each Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender who submits, delivers or procures the delivery of a Lender Proxy Form represents, warrants and undertakes to China Aoyuan, Add Hero and the Information Agent that:
- (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) it is assuming all of the risks arising from its participation in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (c) it has a beneficial interest as principal in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, which are the subject of the Lender Proxy Form at the time of delivery of such Lender Proxy Form;
  - (d) it has not given voting instructions or submitted a Lender Proxy Form with respect to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility other than those that are the subject of this Lender Proxy Form;
  - (e) from the time it submits this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (ix) China Aoyuan and Add Hero (as applicable), at its sole discretion, consents to such Transfer of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility;
  - (f) it authorises the Existing Loans Administrative Parties (as applicable) to provide details concerning its identity, the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility which are the subject of the Lender Proxy Form to China Aoyuan, Add Hero, the Chairperson, the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (g) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Existing Syndicated Facilities

Lender and/or USD100m Noble Prestige Lender as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;

- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (j) the supporting evidence provided with such Lender Proxy Form is accurate and true in all respects;
- (k) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Existing

Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (l) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2 Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

Please read notes in the "IMPORTANT NOTES" section below before selecting.

**In respect of the China Aoyuan Schemes:**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>24</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>24</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit.<sup>25</sup>

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>24</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit:<sup>24</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>24</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>25</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.



**In respect of the Add Hero Schemes:**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>26</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>26</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit.<sup>27</sup>

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>26</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy thinks fit:<sup>26</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>26</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>27</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.
2. Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Lender Proxy Form validly completed and submitted on behalf of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Lender Proxy Form should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes and the Add Hero Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of a Lender Proxy Form (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Explanatory Statements and the Solicitation Packet.

**APPENDIX 1 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DESIGNATED RECIPIENT FORM (if applicable)<sup>18</sup>**

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement and Cash Consideration Entitlement, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must be an Eligible Person or the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender may not appoint more than one Designated Recipient.**

Full name of Existing Syndicated \_\_\_\_\_  
Facilities Lender and/or USD100m  
Noble Prestige Lender:

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<sup>18</sup> It is not mandatory for an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender to have the Designated Recipient Form completed. An Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender should only have it completed if such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender: (i) is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event..

**Details of Designated Recipient**

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

The **Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender** named below for itself hereby confirms to China Aoyuan, Add Hero, the Chairperson and the Information Agent that, in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the Lender Proxy Form, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Existing Syndicated Facilities Lender's and/or USD100m Noble Prestige Lender's authorised employee/representative name: \_\_\_\_\_

Executed by authorised employee/representative for and on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX 2 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DISTRIBUTION CONFIRMATION DEED**

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that wishes to receive its Aoyuan New Securities Entitlement, Transfer Shares, New Shares, Add Hero Notes Entitlement and Cash Consideration Entitlement on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

**Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

**1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.

**2. Confirmations, warranties and undertakings**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige

Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:

- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Syndicated Facilities Guarantors and USD100m Noble Prestige Facility Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Syndicated Facilities and the USD100m Noble Prestige Facility are each governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

**3. Grant of authority to China Aoyuan and Add Hero (as applicable) to execute certain documents on behalf of the Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders**

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, in consideration of the rights provided to the Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders under the China Aoyuan Schemes, the Add Hero Schemes, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, China Aoyuan and Add Hero (as applicable) as its attorney and agent and irrevocably authorises, directs, instructs and empowers China Aoyuan and Add Hero (as applicable) (represented by any duly authorised representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes; and
- (b) irrevocably authorises, directs, instructs and empowers each Existing Loans Administrative Party (as applicable), the Scheme Administrators, the Information Agent, each Aoyuan New Securities Administrative Party and each Add Hero Notes Administrative Party to, on behalf of that Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes and the Add Hero Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes and the Add Hero Schemes.

#### **4. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Account Holder on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably directs: (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

#### **5. Distribution of the New Shares**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.



- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in scrip form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

## **6. Distribution of the Cash Consideration**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) by transferring the same to the cash account linked to the securities account in the Clearing Systems designated by Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in its validly completed Lender Proxy Form or Designated Recipient Form (as applicable).

## **7. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of, or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## Annex A to the Distribution Confirmation Deed

### General confirmations, acknowledgements, warranties and undertakings

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) from the time it has submitted this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Add Hero Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the Add Hero Schemes; (vi) the Add Hero BVI Scheme is not sanctioned by the BVI Court at the Add Hero BVI Scheme Sanction Hearing (or any adjournments thereof); (vii) the Add Hero HK Scheme is not sanctioned by the HK Court at the Add Hero HK Scheme Sanction Hearing (or any adjournments thereof); (viii) the Restructuring does not become effective by the Longstop Date; (ix) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (ix) China Aoyuan and Add Hero (as applicable), at its sole discretion, consents to such Transfer of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility which are the subject of the Lender Proxy Form and its applicable account details to China Aoyuan, Add Hero, the Existing Loans Administrative Parties (as applicable) and

the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;

- (f) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;
- (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;
- (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
- (j) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the Scheme Sanction Hearings;
- (k) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the

Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and

- (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S.

Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE**

**EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;

- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan



Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and Add Hero Securities.

## Sanctions law confirmations and undertakings

2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any agent, employee or Affiliate

or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is:

- (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender expressly acknowledges and confirms that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a

distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or Designated Recipient)**

We: (i) are an Account Holder and an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender; or (ii) act as Account Holder on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or Designated Recipient (please tick only one, as applicable):

- ☐ Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender
- ☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

## SCHEDULE 4

### LENDER PROXY FORM (OTHER NON-ICA DEBT)<sup>19</sup>

For use by Other Non-ICA Debt Lenders in respect of

**Existing Bilateral Facilities (SBLC)**

**Existing Other Offshore Financings**

**Existing Onshore Facilities**

**Existing Private Loans**

(together the "**Other Non-ICA Debt**")

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**")

(together, the "**China Aoyuan Schemes**")

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on [●] 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Lender Proxy Form, references to "**Scheme Creditors**" or "**Other Non-ICA Debt Lenders**" shall mean the Scheme Creditors or a lender of record under any of the Other Non-ICA Debt and/or any Person who has a beneficial interest as principal under any of the Other Non-ICA Debt, who are not Sanctions-Affected Scheme Creditors.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Other Non-ICA Debt Lenders must use this Lender Proxy Form to: (a) register details of their interest in the Other Non-ICA Debt; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to receive their Scheme Consideration Entitlement on the Restructuring Effective Date. A summary of this Lender Proxy Form is set out below.

<sup>19</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

## Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being [●] 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Voting Instruction Deadline in order for an Other Non-ICA Debt Lender to vote at the Scheme Meeting and be eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date.

If an Other Non-ICA Debt Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes. Any Designated Recipient appointed by an Other Non-ICA Debt Lender must hold its account with the same Account Holder as that Other Non-ICA Debt Lender.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.



After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### **Online Lender Proxy Form**

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.

A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Other Non-ICA Debt.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

This Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

### **FOR ASSISTANCE CONTACT**

#### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>  
Scheme Portal (for form discussion): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Other Non-ICA Debt Lender and signed by the Other Non-ICA Debt Lender</i>
Section 1	Details of the Other Non-ICA Debt Lender	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed by the Other Non-ICA Debt Lender if the Other Non-ICA Debt Lender would like to vote on the China Aoyuan Schemes</i>
Section 1	Other Non-ICA Debt Lender Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>If the Other Non-ICA Debt Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Other Non-ICA Debt Lender</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Other Non-ICA Debt Lender in order for the Other Non-ICA Debt Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>  <i>For the avoidance of doubt, an Other Non-ICA Debt Lender does not have to complete a Distribution Confirmation Deed in order to vote on the China Aoyuan Schemes</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments Form	

## PART 1

### OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS

Irrespective of any elections made under any other part of this Lender Proxy Form, a Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Other Non-ICA Debt Lender will not be entitled to cast a vote at the Scheme Meeting or receive any Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.

#### **Section 1** Details of the Other Non-ICA Debt Lender

Please identify the Other Non-ICA Debt Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Other Non-ICA Debt, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Other Non-ICA Debt Lenders:**

Type of Other Non-ICA Debt Lender (select one): PHYSICAL PERSON / ORGANISATION

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

Is the Other Non-ICA Debt Lender an Eligible Person<sup>20</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Other Non-ICA Debt Lender is an institution/corporation:**

Jurisdiction of incorporation of Other Non-ICA Debt Lender: \_\_\_\_\_

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<sup>20</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

**To be completed by all Other Non-ICA Debt Lenders (who are Eligible Persons) in order to receive the Aoyuan New Securities Entitlement and the Transfer Shares Entitlement:**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**All Other Non-ICA Debt Lenders (who are not Eligible Persons and who: (i) wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement and the Transfer Shares Entitlement; or (ii) are Eligible Persons but still wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, Transfer Shares Entitlement and the Add Hero Notes Entitlement in any event, have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**

**To be completed by Other Non-ICA Debt Lenders to receive the Cash Consideration Entitlement and for Eligible Consenting Creditors the RSA Fee:**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

## Section 2 Details of Holdings

The Other Non-ICA Debt Lender holds the following Other Non-ICA Debt to which this Lender Proxy Form relates as at the Record Date:

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
<b>Existing Bilateral Facilities (SBLC)</b>						
EBF20HKD3290	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as lender					

<sup>21</sup> The unique code provided by the Information Agent to an Other Non-ICA Debt Lender that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Other Non-ICA Debt Lender in its Lender Proxy Form in order to be eligible to receive an RSA Fee.

\* **Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.**

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
EBF21HKD7400	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between China Aoyuan Group Company Limited as borrower and The Bank of East Asia, Limited as lender					
EBF21USD7000	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between China Aoyuan Group Limited as borrower and CMB Wing Lung Bank Limited as lender					
EBF21HKD3670	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021,					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender					
<b>Existing Other Offshore Financings</b>						
EBF21HKD1170	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between China Aoyuan Group Company Limited as borrower and China CITIC Bank International Limited as lender					
EBF21HKD3000	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and Nanyang					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	Commercial Bank, Limited as lender					
EBF21HKD5000	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between China Aoyuan Group Limited as borrower and Chiyu Banking Corporation Limited as lender					
EBF21USD2000	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, China Aoyuan Group Limited as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
EUF21USD1000	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder					
ESF20USD2000	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					
<b>Existing Onshore Facilities</b>						

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
ADI01RMB1730	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion					
ADI02RMB4218	Fixed assets loan between 成都市奥誉置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million					
ADI03RMB2395	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB80 million					
ADI04RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB240 million					
ADI05RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司 华夏支行 (Lender) amounting to RMB80 million					
ADI06RMB3580	M&A loan between 奥园集团 (广东) 有限公司 (Borrower) and 中国工商银行股份有限公司 广州荔湾支行 (Lender) amounting to RMB600 million					
ADI07RMB3422	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI08RMB9702	Loan between 金汉 (天津) 房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
ADI09RMB4302	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI10RMB1457	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI11RMB2700	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI12RMB1872	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	(now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI13RMB1749	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
ADI14RMB1627	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI15RMB4470	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司)					



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI16RMB2261	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI17RMB1149	Loan between 天津凯华奎恩房地产开发有限公司					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	(Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
ADI18RMB1376	Loan between 重庆中翡岛置业有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司)					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)					
<b>Existing Private Loans</b>						
ESF20HKD6760	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as borrower, China Aoyuan Group Limited as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time					
ESF21HKD7800	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time					
ESF22HKD7800	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, China Aoyuan Group Limited as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
ESF20USD1200	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time					
ESF21USD1500	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Accession Code (if applicable) <sup>21</sup>
	facility agent, as amended or supplemented from time to time					

**SIGNING:**

Other Non-ICA Debt Lender's  
authorised employee /  
representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Other Non-ICA Debt Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if an Other Non-ICA Debt Lender intends to vote at the Scheme Meeting.**

#### **Section 1 Other Non-ICA Debt Lender Voting Confirmations**

The Other Non-ICA Debt Lender named in this Lender Proxy Form for itself hereby confirms to the Company and the Information Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Lender Proxy Form and every obligation of the Other Non-ICA Debt Lender under this Lender Proxy Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Other Non-ICA Debt Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Other Non-ICA Debt Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Other Non-ICA Debt Lender and that all of the information in this Lender Proxy Form is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Other Non-ICA Debt identified in Section 2 (*Details of Holdings*) of Part 1 (*Other Non-ICA Debt Lender and Holdings Details*) of this Lender Proxy Form, the Other Non-ICA Debt Lender has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Lender Proxy Form to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for an Other Non-ICA Debt Lender to be eligible to vote (either in person or by proxy), an Other Non-ICA Debt Lender must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Lender Proxy Form to the Information Agent, the Other Non-ICA Debt Lender confirms that the Other Non-ICA Debt Lender agrees that the Other Non-ICA Debt Lender shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Information Agent as at the date on which this Lender Proxy Form is delivered to the Information Agent.

1. Each Other Non-ICA Debt Lender who submits, delivers or procures the delivery of a Lender Proxy Form represents, warrants and undertakes to the Company and the Information Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;

- (b) it is assuming all of the risks arising from its participation in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
- (c) it has a beneficial interest as principal in the Other Non-ICA Debt, which are the subject of the Lender Proxy Form at the time of delivery of such Lender Proxy Form;
- (d) it has not given voting instructions or submitted a Lender Proxy Form with respect to Other Non-ICA Debt other than those that are the subject of this Lender Proxy Form;
- (e) from the time it submits this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Other Non-ICA Debt (which are the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and 13.2 therein; or (vii) the Company, at its sole discretion, consents to such Transfer of the Other Non-ICA Debt.
- (f) it authorises the Existing Loans Administrative Parties (as applicable) to provide details concerning its identity, the Other Non-ICA Debt which are the subject of the Lender Proxy Form to the Company, the Chairperson, the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
- (g) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Securities Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Other Non-ICA Debt Lender as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
- (h) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Other Non-ICA Debt Lender (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Other Non-ICA Debt Lender (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Other Non-ICA Debt Lender;
- (i) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise)



against the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (j) the supporting evidence provided with such Lender Proxy Form is accurate and true in all respects;
- (k) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Other Non-ICA Debt Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Other Non-ICA Debt Lender, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
- (l) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

2. Any Other Non-ICA Debt Lender that is unable to give any of the representations in paragraph 1 above should contact the Information Agent directly as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Other Non-ICA Debt Lender wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>32</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>32</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Other Non-ICA Debt Lender or its proxy thinks fit.<sup>33</sup>

The Other Non-ICA Debt Lender wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above;<sup>32</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Other Non-ICA Debt Lender or its proxy thinks fit:<sup>32</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>32</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>33</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless an Other Non-ICA Debt Lender is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Other Non-ICA Debt Lender.
2. Any Other Non-ICA Debt Lender or its proxy attending the Scheme Meeting in person must produce a duplicate copy of the Lender Proxy Form validly completed and submitted on behalf of that Other Non-ICA Debt Lender together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Lender Proxy Form should be completed and submitted to and received by the Information Agent by the Voting Instruction Deadline.
4. Eligible Creditors who vote in favour of the China Aoyuan Schemes will also be treated as having waived the performance of the obligation in clause 7.1.1(i) of the Restructuring Support Agreement of the Eligible Creditors who are Blocked Scheme Creditors to the extent that the performance of such obligation requires the submission of a Lender Proxy Form (which such Blocked Scheme Creditors are not entitled, able or permitted to do due to Applicable Sanctions), provided that each such Blocked Scheme Creditor has validly submitted the Blocked Scheme Creditor Form in accordance with the terms of the China Aoyuan Schemes, the Explanatory Statement and the Solicitation Packet.

## APPENDIX 1 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>22</sup>

To be eligible to receive its Aoyuan New Securities Entitlement and Transfer Shares Entitlement, the Other Non-ICA Debt Lender must be an Eligible Person or the Other Non-ICA Debt Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Other Non-ICA Debt Lender.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Other Non-ICA Debt Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Other Non-ICA Debt Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Other Non-ICA Debt Lender may not appoint more than one Designated Recipient.**

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

#### Details of Designated Recipient

The Other Non-ICA Debt Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

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<sup>22</sup> It is not mandatory for an Other Non-ICA Debt Lender to have the Designated Recipient Form completed. An Other Non-ICA Debt Lender should only have it completed if such an Other Non-ICA Debt Lender is: (i) not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Other Non-ICA Debt Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event.

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and  
China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise  
attributable to it.

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

The **Other Non-ICA Debt Lender** named below for itself hereby confirms to the Company, the Chairperson and the Information Agent that, in relation to the Other Non-ICA Debt that is the subject of the Lender Proxy Form, the Other Non-ICA Debt Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Other Non-ICA Debt Lender's authorised employee/representative name: \_\_\_\_\_

Executed by authorised employee/representative for and on behalf of the Other Non-ICA Debt Lender: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 2 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### **DISTRIBUTION CONFIRMATION DEED**

Any Other Non-ICA Debt Lender that wishes to receive its Aoyuan New Securities Entitlement and Transfer Shares Entitlement on the Restructuring Effective Date must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Voting Instruction Deadline.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and its Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.



## 2. Confirmations, warranties and undertakings

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
  - (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Other Non-ICA Debt Lender and, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
  - (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Other Non-ICA Debt, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Other Non-ICA Debt instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Other Non-ICA Debt Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Grant of authority to the Company to execute certain documents on behalf of the Other Non-ICA Debt Lenders

On and from the Scheme Effective Date and subject to the terms of the China Aoyuan Schemes, in consideration of the rights provided to the Other Non-ICA Debt Lenders under the China Aoyuan Schemes, the Other Non-ICA Debt Lender and, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient:

- (a) irrevocably appoints, and shall for all purposes be treated as having irrevocably appointed, the Company as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Company (represented by any duly authorised

representative) to enter into, execute, notarise and deliver the documents and take each of the actions stipulated in clause 3.1 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes; and

- (b) irrevocably authorises, directs, instructs and empowers each Existing Loans Administrative Party (as applicable), the Scheme Administrators, the Information Agent, and each Aoyuan New Securities Administrative Party to, on behalf of that Other Non-ICA Debt Lender, undertake such steps as it reasonably considers necessary for it to take for the purposes of facilitating the implementation of the China Aoyuan Schemes, as stipulated in clause 3.2 (*Grant of authority and instructions to take steps to implement this Scheme*) of the China Aoyuan Schemes.

#### **4. Distribution of the Aoyuan New Securities and Transfer Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Account Holder on behalf of the Other Non-ICA Debt Lender irrevocably directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

#### **5. Distribution of the New Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Other Non-ICA Debt Lender (or its Designated Recipient) in scrip form. An Other Non-ICA Debt Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## Annex A to the Distribution Confirmation Deed

### General confirmations, acknowledgements, warranties and undertakings

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Other Non-ICA Debt Lender will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Other Non-ICA Debt Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) from the time it has submitted this Lender Proxy Form, it shall not sell, assign, transfer (by novation or otherwise), sub-participate, charge, encumber, grant or create any option or trust over, or otherwise dispose ("**Transfer**") of its interest in all or any part of the Other Non-ICA Debt (which is the subject of the Lender Proxy Form) until the earliest of the following circumstances: (i) the Restructuring Effective Date; (ii) the China Aoyuan Schemes are not approved by the requisite majorities of the Scheme Creditors at the Scheme Meeting (or any adjournments thereof), are withdrawn or are terminated in accordance with the terms of the China Aoyuan Schemes; (iii) the China Aoyuan Cayman Scheme is not sanctioned by the Cayman Court at the China Aoyuan Cayman Scheme Sanction Hearing (or any adjournments thereof); (iv) the China Aoyuan HK Scheme is not sanctioned by the HK Court at the China Aoyuan HK Scheme Sanction Hearing (or any adjournments thereof); (v) the Restructuring does not become effective by the Longstop Date; (vi) the Restructuring Support Agreement is otherwise terminated pursuant to clauses 13.1 and/or 13.2 therein; or (vi) the Company, at its sole discretion, consents to such Transfer of the Other Non-ICA Debt;
  - (e) it authorises the Clearing Systems to provide details concerning its identity, the Other Non-ICA Debt which is the subject of the Lender Proxy Form and its applicable account details to the Company, the Existing Loans Administrative Parties (as applicable) and the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (f) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Chairperson or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or

otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (g) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (h) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;
  - (i) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (j) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (k) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (l) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;

- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;



- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Chairperson, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Other Non-ICA Debt Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such

funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Account Holder on behalf of the Other Non-ICA Debt Lender expressly acknowledges and confirms that the Other Non-ICA Debt Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Account Holder on behalf of the Other Non-ICA Debt Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore jurisdiction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Other Non-ICA Debt Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Other Non-ICA Debt Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Other Non-ICA Debt Lender or on behalf of the Other Non-ICA Debt Lender or Designated Recipient)**

We: (i) are an Account Holder and an Other Non-ICA Debt Lender; or (ii) act as Account Holder on behalf of the Other Non-ICA Debt Lender or Designated Recipient (please tick only one, as applicable):

☐ Other Non-ICA Debt Lender

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

**APPENDIX 4**  
**Blocked Scheme Creditor Form**

## SCHEDULE 5

### BLOCKED SCHEME CREDITOR FORM (EXISTING PUBLIC NOTES)<sup>23</sup>

For use by Blocked Scheme Creditors in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>23</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.



**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on [●] 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on [●] 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

The China Aoyuan Schemes and the Add Hero Schemes will, if implemented, materially affect the Scheme Creditors of China Aoyuan and Add Hero. Blocked Scheme Creditors must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Public Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to be allocated their Scheme Consideration Entitlement on the Restructuring Effective Date, in accordance with the terms of the Escrow Agreement. A summary of this Blocked Scheme Creditor Form is set out below.

## **Background**

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.
2. Blocked Scheme Creditors will accordingly not be able to submit Custody Instructions via the Clearing Systems and the Information Agent will not be able to collect information, including voting instructions, from Blocked Scheme Creditors or the Clearing Systems.

3. As a result, Blocked Scheme Creditors will not be able to vote on the China Aoyuan Schemes or the Add Hero Schemes through the Clearing Systems.
4. However, Blocked Scheme Creditors are invited to vote for, or against, the China Aoyuan Schemes and the Add Hero Schemes by completing this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding. In addition, in order to be allocated the RSA Fee, Blocked Scheme Creditors must include their Accession Code when completing this Blocked Scheme Creditor Form (to the extent the Blocked Scheme Creditor is a Blocked Scheme Creditor (Participating)) and vote in favour of the China Aoyuan Schemes and the Add Hero Schemes.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being [●] 2023.
- **Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 5 a.m. BVI time on [●] 2023 and 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting for the China Aoyuan Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Meeting for the Add Hero Schemes:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 5 a.m. BVI time on [●] 2023.
- **Scheme Effective Date for the China Aoyuan Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Scheme Effective Date for the Add Hero Schemes:** the date which falls on the later of: (i) the date on which a sealed copy of the Add Hero BVI Scheme Sanction Order has been filed with the BVI Registrar of Corporate Affairs; and (ii) the date on which a sealed copy of the Add Hero HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling five Business Days before the Bar Time.

- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time on [●] 2023, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Voting Instruction Deadline in order for a Blocked Scheme Creditor to vote at the Scheme Meeting and be eligible for its: (i) Blocked Aoyuan New Securities Entitlement; (ii) Blocked Transfer Shares Entitlement; (iii) Blocked Add Hero Notes Entitlement to be transferred to the Escrow Agent on the Restructuring Effective Date to hold on escrow in accordance with the terms of the Escrow Agreement; (iv) Blocked New Shares Entitlement; and (v) Blocked Cash Consideration Entitlement to be allocated to it on the Restructuring Effective Date in accordance with the China Aoyuan Schemes and the Add Hero Schemes.

Each Unadmitted Scheme Creditor who is a Blocked Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes, and (iii) the Blocked Cash Consideration Entitlement in accordance with the Add Hero Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, the Blocked New Shares Entitlement or to the Blocked Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or the Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

China Aoyuan or Add Hero (as applicable) shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement and Blocked Add Hero Notes Entitlement in accordance with the terms of the Escrow Agreement; (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing; and (iii) pay the Blocked Cash Consideration Entitlement to the Blocked Scheme Creditor by transferring the same to the cash account linked to the securities account specified in the Blocked Scheme Creditor Form, in the event the Escrow Period expires due to the lifting of the Applicable Sanctions in respect of all Blocked Scheme Creditors.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by China Aoyuan, Add Hero or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent China Aoyuan or Add Hero (as applicable) is unable to distribute any

Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to each Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

With respect to the Blocked Scheme Creditors under the China Aoyuan Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Blocked Scheme Creditors under the Add Hero Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Transaction Website: <https://projects.morrowsodali.com/aoyuan>

## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed if the Blocked Scheme Creditor would like to vote on the China Aoyuan Schemes and the Add Hero Schemes</i>
Section 1	Blocked Scheme Creditor Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy	

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

Irrespective of any elections made under any other part of this Blocked Scheme Creditor Form, a Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to cast a vote at the Scheme Meeting or receive or otherwise be allocated any Blocked Scheme Consideration Entitlement if the China Aoyuan Schemes and the Add Hero Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>24</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>24</sup> "Eligible Person" means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline.

## **Section 2**      **Details of Holdings**

Aggregate principal amount of  
Existing Public Notes held as at the  
Record Date:

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Description of sufficient evidence of  
holding (which must be submitted  
with this completed form):

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Accession Code (if applicable)<sup>25</sup>:

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### **SIGNING:**

Blocked Scheme Creditor's  
authorised employee /  
representative name:

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Executed by authorised employee /  
representative for and on behalf of  
Blocked Scheme Creditor:

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Date:

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<sup>25</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive an RSA Fee. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if a Blocked Scheme Creditor intends to vote at the Scheme Meeting.**

#### **Section 1**      **Blocked Scheme Creditor Voting Confirmations**

The Account Holder<sup>26</sup> named below for itself hereby confirms to China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Blocked Scheme Creditor Form and every obligation of the Blocked Scheme Creditor under this Blocked Scheme Creditor Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Blocked Scheme Creditor and that all of the information in this Blocked Scheme Creditor Form is complete and accurate.  
  
☐ Yes  
  
☐ No
2. That, in relation to the Existing Public Notes identified in Section 2 (*Details of Holdings*) of Part 1 (*Blocked Scheme Creditor and Holdings Details*) of this Blocked Scheme Creditor Form, the Blocked Scheme Creditor has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form to attend and vote at the Scheme Meeting.  
  
☐ Yes  
  
☐ No

**In order for a Blocked Scheme Creditor to be eligible to vote (either in person or by proxy), a Blocked Scheme Creditor must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor confirms that the Blocked Scheme Creditor agrees that the Blocked Scheme Creditor shall be deemed to have made the representations, warranties and undertakings set forth below in favour of China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent as at the date on which this Blocked Scheme Creditor Form is delivered to the Blocked Scheme Creditor Tabulation Agent.

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<sup>26</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Public Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Public Noteholder. Account Holders are not Existing Public Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Public Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.



1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent that:
- (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) to the best of its knowledge, it is lawful to seek voting instructions from that Blocked Scheme Creditor in respect of the China Aoyuan Schemes and the Add Hero Schemes;
  - (c) it is assuming all of the risks inherent in that Blocked Scheme Creditor participating in the China Aoyuan Schemes and the Add Hero Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes for that Blocked Scheme Creditor;
  - (d) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a “designated person” or a person “connected with” Russia, or a Sanctioned Scheme Creditor;
  - (e) it has not given voting instructions or submitted a Blocked Scheme Creditor Form with respect to the Existing Public Notes other than those that are the subject of this Blocked Scheme Creditor Form;
  - (f) save as expressly provided in the Explanatory Statements, neither China Aoyuan, Add Hero, the Existing Public Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Blocked Scheme Creditor as to whether, or how, to vote in relation to the China Aoyuan Schemes and the Add Hero Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
  - (g) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (h) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes and the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Transfer Shares, the New Shares, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Cash Consideration, the Add Hero Notes and/or the Add Hero Notes Indentures), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation

Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (i) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Section 2 Voting Instructions relating to the China Aoyuan Schemes and the Add Hero Schemes and Appointment of Proxy**

Please read notes in the "IMPORTANT NOTES" section below before selecting.

**In respect of the China Aoyuan Schemes:**

The Blocked Scheme Creditor wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>39</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>39</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit.<sup>40</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:<sup>39</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit:<sup>39</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>39</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>40</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**In respect of the Add Hero Schemes:**

The Blocked Scheme Creditor wishes to follow (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>41</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting;<sup>41</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit.<sup>42</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above.<sup>41</sup>

Attendee Name: \_\_\_\_\_

Passport country and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on each of the Add Hero BVI Scheme and Add Hero HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit.<sup>41</sup>

Attendee Name: \_\_\_\_\_

Passport country and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>41</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>42</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless a Blocked Scheme Creditor admitted by the Blocked Scheme Creditor Tabulation Agent is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Blocked Scheme Creditor.
2. Any Blocked Scheme Creditor or its proxy admitted by the Blocked Scheme Creditor Tabulation Agent to attend the Scheme Meeting in person must produce a duplicate copy of the Blocked Scheme Creditor Form validly completed and submitted on behalf of that Blocked Scheme Creditor together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Blocked Scheme Creditor Form should be completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline.

**Please note if the China Aoyuan Schemes and the Add Hero Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

## SCHEDULE 6

### BLOCKED SCHEME CREDITOR FORM (EXISTING PRIVATE NOTES)<sup>27</sup>

For use by Blocked Scheme Creditors in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on [●] 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

The China Aoyuan Schemes will, if implemented, materially affect the Scheme Creditors of the Company. Blocked Scheme Creditors must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Private Notes; (b) if they wish, make certain elections in relation to the voting at the Scheme Meeting; and (c) allow them to be allocated their Scheme Consideration Entitlement on the Restructuring Effective Date, in accordance with the terms of the Escrow Agreement. A summary of this Blocked Scheme Creditor Form is set out below.

#### Background

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

<sup>27</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.

2. Blocked Scheme Creditors will accordingly not be able to submit Custody Instructions via the Clearing Systems and the Information Agent will not be able to collect information, including voting instructions, from Blocked Scheme Creditors or the Clearing Systems.
3. As a result, Blocked Scheme Creditors will not be able to vote on the China Aoyuan Schemes through the Clearing Systems.
4. However, Blocked Scheme Creditors are invited to vote for, or against, the China Aoyuan Schemes by completing this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding. In addition, in order to be allocated the RSA Fee, Blocked Scheme Creditors must include their Accession Code when completing this Blocked Scheme Creditor Form (to the extent the Blocked Scheme Creditor is a Blocked Scheme Creditor (Participating)) and vote in favour of the China Aoyuan Schemes.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being [●] 2023.
- **Custody Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Voting Instruction Deadline:** being 5 p.m. Hong Kong time on [●] 2023, the equivalent being 4 a.m. Cayman Islands time on [●] 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on [●] 2023.
- **Scheme Meeting:** to be held at 5 p.m. Hong Kong time on [●] 2023, the equivalent time being 4 a.m. Cayman Islands time on [●] 2023.
- **Scheme Effective Date:** the date which falls on the later of: (i) the date on which a sealed copy of the China Aoyuan Cayman Scheme Sanction Order has been filed with the registrar of companies of the Cayman Islands; and (ii) the date on which a sealed copy of the China Aoyuan HK Scheme Sanction Order has been filed with the companies registry of Hong Kong.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date).

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Voting Instruction Deadline in order for a Blocked Scheme Creditor to vote at the Scheme Meeting and be eligible for its (i) Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement to be transferred to the Escrow Agent on the Restructuring Effective Date to hold on escrow in accordance with the terms of the Escrow

Agreement and (ii) Blocked New Shares Entitlement to be allocated to it on the Restructuring Effective Date in accordance with the terms of the China Aoyuan Schemes.

Each Unadmitted Scheme Creditor who is a Blocked Scheme Creditor should establish its entitlement to its share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the Blocked New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

The Company shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and the Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent the Company is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

This Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

**Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Transaction Website: <https://projects.morrowsodali.com/aoyuan>



## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>VOTING AND APPOINTMENT OF PROXY</b>	<i>This Part 2 must be completed if the Blocked Scheme Creditor would like to vote on the China Aoyuan Schemes</i>
Section 1	Blocked Scheme Creditor Voting Confirmations	
Section 2	Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy	

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

Irrespective of any elections made under any other part of this Blocked Scheme Creditor Form, a Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to cast a vote at the Scheme Meeting or receive or otherwise be allocated any Blocked Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>28</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>28</sup> "Eligible Person" means a person who can make the affirmative Securities Law Representations and Sanctions Law Representations prior to the applicable deadline.

## **Section 2**      **Details of Holdings**

Aggregate principal amount of Existing Private Notes held as at the Record Date:

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Description of sufficient evidence of holding (which must be submitted with this completed form):

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Accession Code (if applicable)<sup>29</sup>:

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### **SIGNING:**

Blocked Scheme Creditor's authorised employee / representative name:

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Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

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Date:

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<sup>29</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive an RSA Fee. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.

## PART 2

### VOTING AND APPOINTMENT OF PROXY

**This Part 2 is required to be completed only if a Blocked Scheme Creditor intends to vote at the Scheme Meeting.**

#### **Section 1      Blocked Scheme Creditor Voting Confirmations**

The Account Holder<sup>30</sup> named below for itself hereby confirms to the Company and the Blocked Scheme Creditor Tabulation Agent as follows (select "yes" or "no" as appropriate for each item):

1. That all authority conferred or agreed to be conferred pursuant to this Blocked Scheme Creditor Form and every obligation of the Blocked Scheme Creditor under this Blocked Scheme Creditor Form shall, to the best of its knowledge and to the extent permitted by law, be binding upon the successors and assigns of the Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives of the Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of the Blocked Scheme Creditor and that all of the information in this Blocked Scheme Creditor Form is complete and accurate.

☐ Yes

☐ No

2. That, in relation to the Existing Private Notes identified in Section 2 (*Details of Holdings*) of Part 1 (*Blocked Scheme Creditor and Holdings Details*) of this Blocked Scheme Creditor Form, the Blocked Scheme Creditor has authority to give the voting instructions set out in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form, indicate the elections set forth herein (if applicable) and, if applicable, to nominate the person named in Section 2 (*Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy*) of this Part 2 of this Blocked Scheme Creditor Form to attend and vote at the Scheme Meeting.

☐ Yes

☐ No

**In order for a Blocked Scheme Creditor to be eligible to vote (either in person or by proxy), a Blocked Scheme Creditor must respond "yes" in respect of paragraphs (1) and (2) above.**

By delivering this Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent, the Blocked Scheme Creditor confirms that the Blocked Scheme Creditor agrees that the Blocked Scheme Creditor shall be deemed to have made the representations, warranties and undertakings set forth below in favour of the Company and the Blocked Scheme Creditor Tabulation Agent as at the date on which this Blocked Scheme Creditor Form is delivered to the Blocked Scheme Creditor Tabulation Agent.

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<sup>30</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Private Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Private Noteholder. Account Holders are not Existing Private Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Private Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to the Company and the Blocked Scheme Creditor Tabulation Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) to the best of its knowledge, it is lawful to seek voting instructions from that Blocked Scheme Creditor in respect of the China Aoyuan Schemes;
  - (c) it is assuming all of the risks inherent in that Blocked Scheme Creditor participating in the China Aoyuan Schemes and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes for that Blocked Scheme Creditor;
  - (d) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a person "connected with" Russia, or a Sanctioned Scheme Creditor;
  - (e) it has not given voting instructions or submitted a Blocked Scheme Creditor Form with respect to the Existing Private Notes other than those that are the subject of this Blocked Scheme Creditor Form;
  - (f) save as expressly provided in the Explanatory Statement, neither the Company, the Existing Private Notes Administrative Parties, the Aoyuan New Securities Administrative Parties, Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent nor any of their respective Affiliates, directors, officers or employees has made any recommendation to that Blocked Scheme Creditor as to whether, or how, to vote in relation to the China Aoyuan Schemes, and it has made its own decision with regard to voting based on any legal, tax or financial advice that it has deemed necessary to seek;
  - (g) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (h) it is solely liable for any taxes or similar payments imposed on it under the laws of any applicable jurisdiction as a result of voting in favour of the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement), and that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Chairperson, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (i) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (j) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (k) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Section 2**      **Voting Instructions relating to the China Aoyuan Schemes and Appointment of Proxy**

**Please read notes in the "IMPORTANT NOTES" section below before selecting.**

The Blocked Scheme Creditor wishes to (please check **only one box**):

- ☐ vote (or to instruct its proxy to vote) **FOR** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>47</sup>
- ☐ vote (or to instruct its proxy to vote) **AGAINST** each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting;<sup>47</sup> or
- ☐ attend (or to instruct its proxy, other than the Chairperson, to attend) the Scheme Meeting and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit.<sup>48</sup>

The Blocked Scheme Creditor wishes (please check **only one box**):

- ☐ to appoint the Chairperson as its proxy to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in accordance with the instruction set forth above;<sup>47</sup>
- ☐ to appoint the proxy (other than the Chairperson) identified below to attend and vote on each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme on its behalf at the Scheme Meeting in person in accordance with the instruction set forth above:

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

- ☐ to attend and vote on the China Aoyuan Schemes at the Scheme Meeting in person or by the duly authorised representative below, if a corporation, in such manner as the Blocked Scheme Creditor or its proxy thinks fit:<sup>47</sup>

Attendee Name: \_\_\_\_\_

Passport country  
and number: \_\_\_\_\_

Email: \_\_\_\_\_

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<sup>47</sup> A vote For or Against will be i) deemed to be an instruction to the Chairperson to vote as indicated in the event that the Chairperson is appointed as the proxy or ii) an indication on how the attendee or proxy (other than the Chairperson) will vote at the applicable Scheme Meeting. However, in the case of ii) any such indication will be superseded by the actual vote of the attendee or proxy (other than the Chairperson) at the applicable Scheme Meeting or ignored in the event that the attendee or proxy (other than the Chairperson) does not attend the Scheme Meeting.

<sup>48</sup> This option is not applicable for those wishing to appoint the Chairperson as their proxy.

**IMPORTANT NOTES:**

1. Unless a Blocked Scheme Creditor admitted by the Blocked Scheme Creditor Tabulation Agent is an individual attending in person or a corporation attending by a duly authorised representative, it must appoint a proxy to vote on its behalf at the Scheme Meeting. It is recommended that the Chairperson is appointed as the proxy as there would in such circumstances be no need for any additional documents or identification to be taken to the Scheme Meeting by or on behalf of the Blocked Scheme Creditor.
2. Any Blocked Scheme Creditor or its proxy admitted by the Blocked Scheme Creditor Tabulation Agent to attend the Scheme Meeting in person must produce a duplicate copy of the Blocked Scheme Creditor Form validly completed and submitted on behalf of that Blocked Scheme Creditor together with evidence of corporate authority (in the case of a corporation) (for example, a valid power of attorney and/or board resolutions) and evidence of personal identity (being a valid original passport or other original government-issued photographic identification) at the registration desk by no later than half an hour before the scheduled time of the Scheme Meeting. If appropriate personal identification or evidence of authority is not produced, that person shall only be permitted to attend and vote at the Scheme Meeting at the discretion of the Chairperson.
3. For the avoidance of doubt, in order to vote, the Blocked Scheme Creditor Form should be completed and submitted to and received by the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline.



**Please note if the China Aoyuan Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

**HCMP 1696 / 2023**  
**IN THE HIGH COURT OF THE**  
**HONG KONG SPECIAL ADMINISTRATIVE REGION**  
**COURT OF FIRST INSTANCE**  
**MISCELLANEOUS PROCEEDINGS NO. 1696 OF 2023**

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**IN THE MATTER OF CHINA  
AOYUAN GROUP LIMITED (中  
國奧園集團股份有限公司)**

**and**

**IN THE MATTER OF sections  
670 of the Companies  
Ordinance, Chapter 622 of the  
Laws of Hong Kong**

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**ORDER**

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Dated the 31<sup>st</sup> day of October 2023

Filed on the      day of November 2023 at      a.m./p.m.

Linklaters  
Solicitors for the Company  
11<sup>th</sup> Floor, Alexandra House  
Chater Road, Central  
Hong Kong  
Tel: 2842 4888 Fax: 2810 8133  
(Ref: L-319602)

**Part B**

**CHINA AOYUAN CAYMAN SCHEME**

**[See over page]**



THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 284 OF 2023 (DDJ)

IN THE MATTER OF SECTION 86 OF THE COMPANIES ACT (2023 REVISION)

AND IN THE MATTER OF CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)

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**ORDER**

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**UPON THE APPLICATION** of China Aoyuan Group Limited (中國奧園集團股份有限公司) (the *Company*) by its *Ex Parte* Summons dated 22 September 2023

**AND UPON READING** the petition dated 22 September 2023 (the *Petition*)

**AND UPON** reading the First Affirmation of Mr. Guo Zi Wen affirmed on 22 September 2023 and the First Affirmation of Mr. Chen Zhi Bin affirmed on 25 October 2023 and the exhibits thereto

**AND UPON** hearing Tom Smith KC for the Company

**AND UPON** the basis that all capitalised terms not otherwise defined in this Order shall have the meaning given to them in the draft scheme of arrangement (the *Scheme*) and the draft explanatory statement in relation to the Scheme (the *Explanatory Statement*), in the form exhibited in Exhibit CZB-1 to the First Affirmation of Mr. Chen Zhi Bin

**IT IS ORDERED AND DIRECTED THAT:**

- 1 The Company has permission to convene a single meeting (the ***Scheme Meeting***) of certain of its creditors (the ***Scheme Creditors***) for the purpose of considering and, if thought fit, approving, with or without modification, the Scheme.
- 2 The Scheme Meeting shall be held at the offices of Linklaters at 11th Floor, Alexandra House, Chater Road, Hong Kong (or if such venue is not available, such other suitable venue in Hong Kong or the Cayman Islands as the Chairperson, as defined at paragraph 11 below, may select) on 28 November 2023 commencing at 8 pm Hong Kong time, with any adjournment as may be appropriate, with a live video conference linked to the offices of Harney Westwood & Riegels, LP at 3rd Floor, Harbour Place, 103 South Church Street Grand Cayman PO Box 10240, KY1-1002 Cayman Islands.
- 3 The Company has permission to set a record date of 20 November 2023 following the close of business and cessation of the Clearing Systems (the ***Record Date***) and a reference date of 30 September 2023 (the ***Reference Date***) for the purpose of determining each Scheme Claim. The Scheme Creditors will be assigned a number of votes based on its Scheme Claims calculated at a value equal to the sum of:
  - (a) the outstanding principal amount of the Scheme Claims as at the Record Date; and
  - (b) all accrued and unpaid interest relating to such Scheme Claims, up to (and including) the Reference Date.
- 4 The Company has permission to set a time of 4 am Cayman Islands time on 20 November 2023, the equivalent being 5 pm Hong Kong time on 20 November 2023 (the ***Voting Instruction Deadline***) as the latest time by which (a) Morrow Sodali Limited (the ***Information Agent***) must receive a valid Account Holder Letter or Lender Proxy Form (as referenced in paragraph 7 below from Scheme Creditors who are not Sanctions-Affected Scheme Creditors (as defined in the Scheme)), and (b) Madison Pacific Corporate Services Ltd. must receive a valid Blocked Scheme Creditor Form (as referenced in paragraph 7 below) from Blocked Scheme Creditors in order for the Scheme Creditors' voting instructions to be taken into account for the purposes of the Scheme Meeting.

- 5 At least 21 days before the day appointed for the Scheme Meeting, a copy of the notice of Scheme Meeting (the ***Scheme Meeting Notice***) shall be circulated to the Scheme Creditors:
- (a) by publication of the Scheme Meeting Notice on the transaction website: <https://projects.morrowsodali.com/Aoyuan> (the ***Transaction Website***) and through a public announcement published on The Stock Exchange of Hong Kong Limited;
  - (b) by the Information Agent giving notice through the Clearing Systems and by sending the notice via email to each person whom the Company believes is or may be a Scheme Creditor, and for whom the Information Agent has a valid email address; and
  - (c) in respect of Scheme Creditors under the Existing Syndicated Facilities, Existing Bilateral Facilities (SBLC), Existing Other Offshore Financings, Existing Onshore Facilities, Existing Private Loans and USD100m Noble Prestige Facility (each as defined in the Scheme), by the Company or its advisers to the email address or by prepaid surface mail (in respect of Hong Kong and Macau) or ordinary airmail (to other jurisdictions) to registered or the last known address of such Scheme Creditors in accordance with the notice provisions of the underlying finance documents.
- 6 The Scheme Meeting Notice shall be in substantially the same form as that appended to the Explanatory Statement (Part B of Appendix 4) exhibited in Exhibit CZB-1 to the First Affirmation of Mr. Chen Zhi Bin.
- 7 When distributing the Scheme Meeting Notice to the Scheme Creditors in accordance with paragraph 5 above, electronic copies and/or a link to the Transaction Website will be provided to enable Scheme Creditors to view and download the following documents:
- (a) the Explanatory Statement (which shall include, amongst other documents, the Scheme (as Appendix 3 to the Explanatory Statement) and the Solicitation Packet (as Appendix 5 to the Explanatory Statement) (the latter being instructions as to the registration of claims and voting procedures for the



- purposes of the Scheme Meeting, together with the Account Holder Letter, Lender Proxy Form and Blocked Scheme Creditor Form); and
- (b) the other documents referred to in the Explanatory Statement as being available on the Transaction Website.
- 8 Prior to the Scheme Meeting, the Company shall place an advertisement substantially in the form set out at Appendix 4 to the Explanatory Statement exhibited in Exhibit CZB-1 to the First Affirmation of Mr. Chen Zhi Bin in each of:
- (a) The Cayman Islands Gazette, being a newspaper circulating in the Cayman Islands; and
- (b) The Standard (in the English language) and the Sing Tao Daily (in the Chinese language), being newspapers circulating in Hong Kong.
- 9 The accidental omission to serve any Scheme Creditor with the aforementioned documents, or the non-receipt by any Scheme Creditor of such documents, shall not invalidate the proceedings at the Scheme Meeting or any resolutions passed thereat.
- 10 The persons as set out in Appendix 1 shall not vote in respect of their Scheme Claims at the Scheme Meeting.
- 11 Mr. Edward Simon Middleton, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong and/or Mr. James William Hooper, a Managing Director of Alvarez & Marsal Asia Limited of Room 405-7, 4/F, St. George's Building, 2 Ice House Street, Central, Hong Kong and/or such other person(s) of Alvarez & Marsal Asia Limited as appropriate be appointed chairperson(s) (the **Chairperson**) of the Scheme Meeting.
- 12 The Chairperson be entitled to accept, without further investigation, the signature on any Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form, as applicable, as being genuine and as authority of the signatory to cast the votes in accordance with the instructions outlined in the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form, as applicable, and the Solicitation Packet.

- 13 The Chairperson be responsible for determining, in accordance with the relevant provisions in the Explanatory Statement, the Scheme Claim of any Scheme Creditor for voting purposes and the validity of the appointment of any person permitted to act as proxy for a Scheme Creditor by reference to the information provided in each Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form, as applicable.
- 14 The Chairperson be at liberty to accept any Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form, as applicable, and the amount of a Scheme Claim in respect of which a Scheme Creditor seeks to vote, notwithstanding that such form has not been completed or submitted in accordance with any instructions contained therein or has been submitted after the deadline provided for in the Solicitation Packet, provided that the Chairperson considers that the information contained therein is sufficient to admit that Scheme Claim for voting purposes.
- 15 Any person validly appointed as proxy for a Scheme Creditor in accordance with the instructions set out in the Account Holder Letter, Lender Proxy Form or Blocked Scheme Creditor Form, as applicable, and the Solicitation Packet may attend and speak at the Scheme Meeting.
- 16 The Chairperson be at liberty to adjourn the Scheme Meeting, in his or her sole discretion, provided that, if adjourned, the Scheme Meeting will recommence as soon as reasonably practicable thereafter. In the event that the Chairperson considers in his or her sole discretion that it is necessary or appropriate to adjourn the Scheme Meeting, the Company shall cause the Scheme Creditors to be notified that there is an adjournment of the Scheme Meeting and as to the time of the adjourned Scheme Meeting as soon as practicable and in the same manner as notice was given to the Scheme Creditors pursuant to paragraph 5.
- 17 The Chairperson be permitted to declare and announce the results of the Scheme Creditors' votes in respect of the Scheme, either during the Scheme Meeting or as soon as reasonably practicable after the conclusion of the Scheme Meeting.
- 18 Within seven (7) days of the Scheme Meeting having been held, the Company must file an affidavit or affirmation sworn or affirmed by the Chairperson verifying that notice



was duly sent in accordance with this Order; that the Scheme Meeting was duly held; and giving particulars of the results.

- 19 Mr. Guo Zi Wen is hereby appointed as the Company's foreign representative (the ***Foreign Representative***), authorised in these proceedings to act as the Foreign Representative for the purposes of applying for any recognition proceedings in respect of the Scheme and such other relief in the relevant jurisdictions, as the Foreign Representative may deem appropriate.
- 20 The Foreign Representative is authorised on behalf of the Company to take any and all actions to execute, deliver, certify, file and/or record and perform any and all documents, agreements, instruments, motions, affidavits, applications for approvals or rulings of governmental or regulatory authorities, or certificates, and to take any and all steps deemed by the Foreign Representative to be necessary or desirable to carry out the purpose and intent of the Scheme.
- 21 If the Scheme is approved at the Scheme Meeting by the requisite statutory majorities, the Petition is listed for a further hearing on 7 December 2023 at 10 a.m. Cayman Islands time, for the Court to consider the sanction of the Scheme.
- 22 There shall be liberty to apply generally.

Dated this 31 day of October 2023

Filed the 31 day of October 2023



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The Honourable Justice David Doyle

Judge of the Grand Court

**THIS ORDER** was filed by Harney Westwood & Riegels, Attorneys-at-Law for the Petitioner, whose address for service is 3rd Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman KY1-1002, Cayman Islands (Ref: 060331.0001-CAR-BPH)

**Part A**  
**Existing Public Notes**

S/n	Description of Existing Public Notes	ISIN	Existing Public Notes Indenture	Scheme Creditor who shall note vote in respect of their Scheme Claims
1.	US\$250,000,000 5.375% Senior Notes Due 2022	XS1611005957	As constituted by the indenture dated 13 September 2017, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB Trustees (Hong Kong) Limited ("DB") as trustee.	i. Deutsche Bank AG, Hong Kong Branch, in its capacity as the nominee of the depositary and as registered holder of each of the Existing Public Notes; and
2.	US\$188,000,000 4.2% Senior Notes Due 2022	XS2282587505	As constituted by the indenture dated 21 January 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	ii. DB Trustees (Hong Kong) Limited, in its capacity as the trustee under the Existing Public Notes Indentures
3.	US\$500,000,000 8.5% Senior Notes Due 2022	XS1937690128	As constituted by the indenture dated 23 January 2019, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
4.	US\$200,000,000 8.0% Senior Notes Due 2022	XS2264537684	As constituted by the indenture dated 22 January 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
5.	US\$50,000,000 8.5% Senior Notes Due 2022	XS2378476951	As constituted by the indenture dated 31 August 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
6.	US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and	XS1952585112	In respect of the US\$225,000,000 7.95% Senior Notes Due 2023 as constituted by the indenture dated 19 February 2019, as amended, supplemented, or otherwise modified from time to time, between the Company, the	

Sl. No.	Description of Existing Public Notes	ISIN	Existing Public Notes Indenture	Scheme Creditor who shall note vote in respect of their Scheme Claims
	forming a single series		<p>subsidiary guarantors therein and DB as trustee; and</p> <p>in respect of the US\$250,000,000 7.95% Senior Notes Due 2023 as constituted by the indenture dated 21 June 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee,</p> <p>both consolidated forming a single series therewith, with an outstanding principal amount of US\$475,000,000.</p>	
7.	US\$200,000,000 7.35% Senior Notes Due 2023	XS2014471432	As constituted by the indenture dated 21 June 2019, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
8.	US\$460,000,000 6.35% Senior Notes Due 2024	XS2196807833	As constituted by the indenture dated 2 July 2020, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
9.	US\$200,000,000 7.95% Senior Notes Due 2024	XS2351242461	As constituted by the indenture dated 21 June 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
10.	US\$230,000,000 5.98% Senior Notes Due 2025	XS2258822233	As constituted by the indenture dated 18 November 2020, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	
11.	US\$350,000,000 6.2% Senior Notes Due 2026	XS2233109409	As constituted by the indenture dated 24 September 2020, as amended, supplemented, or otherwise modified from time to	

S/n	Description of Existing Public Notes	ISIN	Existing Public Notes Indenture	Scheme Creditor who shall note vote in respect of their Scheme Claims
			time, between the Company, the subsidiary guarantors therein and DB as trustee.	
12.	US\$350,000,000 5.88% Senior Notes Due 2027	XS2307633565	As constituted by the indenture dated 1 March 2021, as amended, supplemented, or otherwise modified from time to time, between the Company, the subsidiary guarantors therein and DB as trustee.	



## Existing Syndicated Facilities

S/n	Description of Existing Syndicated Facilities	Scheme Creditor who shall note vote in respect of their Scheme Claims
1.	The facility agreement in respect of the HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, the Company as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time	Nanyang Commercial Bank, Limited in its capacity as facility agent
2.	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, the Company as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time	Hang Seng Bank Limited in its capacity as facility agent
3.	The facility agreement in respect of the HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, the Company as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time	Hang Seng Bank Limited in its capacity as facility agent

## Existing Private Notes

S/n	Description of Existing Public Notes	ISIN	Existing Private Notes Instruments	Scheme Creditor who shall note vote in respect of their Scheme Claims
1.	US\$100,000,000 6.00% guaranteed Bonds Due 2022	XS2190931365	As constituted by the deed of covenant dated 19 June 2020 and fiscal agency agreement dated 19 June 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited.	China Construction Bank (Asia) Corporation Limited, in its capacity as common depositary and fiscal agent under each of the Existing Private Notes Instruments
2.	US\$250,000,000 10.75% guaranteed Bonds Due 2022	XS2372877469	As constituted by the deed of covenant dated 18 August 2021 and fiscal agency agreement dated 18 August 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited.	
3.	US\$200,000,000 7.38% guaranteed Bonds Due 2021	XS2265803283	As constituted by the deed of covenant dated 10 December 2020 and fiscal agency agreement dated 10 December 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Luck Gain Limited.	
4.	US\$100,000,000 6.05% guaranteed Bonds Due 2022	XS2282540025	As constituted by the deed of covenant dated 21 January 2021 and fiscal agency agreement dated 21 January 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Multi-Prospect Limited.	

## Other Loan Facilities

S/n	Description of other loan facilities	Scheme Creditor who shall note vote in respect of their Scheme Claims
1.	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time	Tai Fung Bank Limited in its capacity as facility agent
2.	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among others, King World Holdings Limited as borrower, the Company as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time	China Construction Bank (Asia) Corporation Limited in its capacity as facility agent
3.	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, the Company as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time	China Construction Bank (Asia) Corporation Limited in its capacity as facility agent
4.	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, the Company as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time	China Construction Bank (Asia) Corporation Limited in its capacity as facility agent
5.	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, the Company as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time	China Construction Bank (Asia) Corporation Limited in its capacity as facility agent

**APPENDIX 9**  
**FORM OF DEED OF RELEASE**



**Part A**

**NEW YORK LAW DEED OF RELEASE**

**[See over page]**

## New York Law Deed of Release

Dated \_\_\_\_\_

THE SCHEME CREDITORS

and

CHINA AOYUAN GROUP LIMITED

as the Company

This Deed is made on \_\_\_\_\_ by:

- (1) **THE SCHEME CREDITORS** under and as defined in the China Aoyuan Schemes (as defined below) (the "**Scheme Creditors**"), acting by **CHINA AOYUAN GROUP LIMITED** (the "**Company**") appointed by each of them as their attorney and agent and irrevocably authorised, directed, instructed and empowered pursuant to the terms of the China Aoyuan Schemes sanctioned by the Court; and
- (2) **CHINA AOYUAN GROUP LIMITED**, a company incorporated with limited liability under the laws of the Cayman Islands (the "**Company**").

**Whereas:**

- (A) On [●] 2023, the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2022 Revision) between the Company and the Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●] 2023, the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").
- (B) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Claims (as defined in the China Aoyuan Schemes) and certain other claims are being released.
- (C) Under the authority conferred by the China Aoyuan Schemes, the Company has been authorised and instructed to execute and deliver this Deed on behalf of the Scheme Creditors in order to facilitate the transactions contemplated by the China Aoyuan Schemes.
- (D) The background and terms of the China Aoyuan Schemes and the Restructuring (as defined in the China Aoyuan Schemes) are described in further detail in the Explanatory Statement dated [●] 2023 (the "**Explanatory Statement**").
- (E) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document by hand.

## **1 Definitions and interpretation**

### **1.1 Definitions**

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

In this Deed:

"**Party**" means a party to this Deed; and

"**Restructuring Released Party**" has the meaning given to that term in Clause 2.2.

### **1.2 Construction**

In this Deed, except where the context otherwise requires:

- 1.2.1 a reference to any person includes its successors, permitted assigns and permitted transferees;

- 1.2.2 references to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Restructuring Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part); and
- 1.2.3 references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof.

## 2 Releases and waivers

- 2.1 Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, all of the rights, title and interest of:

- 2.1.1 each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities); and
- 2.1.2 the Existing Public Notes Common Depositary and the Existing Public Notes Trustee to any claims they have or may have under each Existing Public Notes Global Note, each Existing Public Notes Indenture or any parallel debt covenant (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of the China Aoyuan Schemes and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assigns (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Public Notes or otherwise all or any part of its Scheme Claims after the Record Date).

- 2.2 Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor (to the extent it has not already done so pursuant to Clause 2.1 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

- 2.2.1 the China Aoyuan Offshore Group; and
- 2.2.2 each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent; and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above in this Clause 2.2, a “**Restructuring Released Party**”) in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out

of or in connection with: (i) the Existing Debt Finance Documents (including but not limited to each Existing Public Notes Global Note and each Existing Public Notes Indenture) and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents (including but not limited to each Existing Public Notes Global Note and each Existing Public Notes Indenture); (ii) the Scheme Claims; and/or (iii) the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes and/or the Restructuring including the carrying out of the steps and transactions contemplated in the China Aoyuan Schemes (including, without limitation, the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

**2.3** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel and Affiliates and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

**2.4** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory

process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

- 2.4.1 the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);
- 2.4.2 the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or
- 2.4.3 the execution of the China Aoyuan Schemes, the Restructuring Documents or any other documents required in order to implement the China Aoyuan Schemes, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in the China Aoyuan Schemes, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

**2.5** Nothing in this Clause 2 shall:

- 2.5.1 in any way impair or prejudice any rights of any Scheme Creditor arising under the China Aoyuan Schemes or any Restructuring Document (including as a consequence of non-compliance with the terms of the China Aoyuan Schemes or the Restructuring Documents);
- 2.5.2 (without prejudice to the generality of Clause 2.5.1 above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the China Aoyuan Schemes and/or any Restructuring Documents;
- 2.5.3 extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;
- 2.5.4 apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to, under or in connection with the Existing Debt Finance Documents, the China Aoyuan Schemes or the Restructuring;
- 2.5.5 apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring; or
- 2.5.6 release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

- 2.6** The waivers, releases and discharges granted under this Clause 2 shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.

### **3 Further assurance**

- 3.1** At the reasonable request and cost of any Restructuring Released Party, the Scheme Creditors shall execute and deliver such documents, and do such things, (or, as applicable, procure the execution and delivery of such documents, or the doing of such things) as may reasonably be required to give full effect to this Deed, including, without limitation, to perfect or evidence any release, waiver or discharge referred to in this Deed.

- 3.2** Notwithstanding Clause 3.1, where this Deed requires a Scheme Creditor to take any action at the cost of any Restructuring Released Party, the relevant Scheme Creditor shall not be required to take any such action unless that Scheme Creditor is prefunded by the Restructuring Released Party (on demand by that Scheme Creditor) in an amount that reflects that Scheme Creditor's reasonable estimate of the out of pocket expenses likely to be incurred by that Scheme Creditor in undertaking the relevant action. The Scheme Creditor shall refund to the relevant Restructuring Released Party any part of the prefunding that it does not actually expend in undertaking such relevant action.

### **4 Severability**

Each provision contained in this Deed shall be severable and distinct from every other such provision and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### **5 Third party rights**

- 5.1** Each Restructuring Released Party and all of their respective firms' and companies' current, future and former direct and indirect Affiliates, equity holders, members, managing members, officers, directors, partners, employees, advisers, principals, attorneys, professional advisers, accountants, investment bankers, consultants, agents and representatives

(including their Affiliates) may rely on this Deed and enforce any of its terms as if it were a party to this Deed.

**5.2** Subject to Clause 5.1, a person who is not a party to this Deed has no right under this Deed to enforce or to enjoy the benefit of any term of this Deed.

**5.3** Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## **6 Amendment and waivers**

No amendment, variation, rescission or termination of this Deed shall be effective unless such amendment, variation, rescission or termination is agreed to in writing by the Company, the Restructuring Released Parties and each Scheme Creditor.

## **7 Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## **8 Governing law and jurisdiction**

**8.1** This Deed and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and construed in accordance with, the laws of the State of New York.

**8.2** Any New York State or United States Federal court sitting in the Borough of Manhattan, New York City shall have non-exclusive jurisdiction to hear and determine any dispute arising out of, or in connection with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity), and for such purpose, each Scheme Creditor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of any New York State or United States Federal court sitting in the Borough of Manhattan, New York City.

**This Deed has been delivered on the date stated at the beginning of this Deed.**



**SIGNATURES**

In witness of which this document has been executed and delivered as a deed on the date stated at its beginning.

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**THE SCHEME CREDITORS**

acting by

**CHINA AOYUAN GROUP LIMITED** (as duly appointed attorney and agent on behalf of and under the authority granted to it by each Scheme Creditor under the terms of the China Aoyuan Schemes sanctioned by the Court) acting by its authorised signatory

\_\_\_\_\_

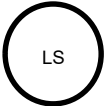
Authorised Signatory

Name:

Title:

in the presence of:

Signature of witness:



\_\_\_\_\_

Name:

Address:

**Company**

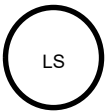
**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**CHINA AOYUAN GROUP LIMITED**  
acting by its authorised signatory

in the presence of:  
Signature of witness:

\_\_\_\_\_  
Authorised Signatory  
Name:  
Title:

\_\_\_\_\_  
Name:  
Address:



**Part B**

**HONG KONG LAW DEED OF RELEASE**

**[See over page]**

## Hong Kong Law Deed of Release

Dated \_\_\_\_\_

THE SCHEME CREDITORS

and

CHINA AOYUAN GROUP LIMITED

as the Company

and

THE ENTITIES LISTED IN SCHEDULE 2

This Deed is made on \_\_\_\_\_ by:

- (1) **THE SCHEME CREDITORS** under and as defined in the China Aoyuan Schemes (as defined below) (the "**Scheme Creditors**"), acting by **CHINA AOYUAN GROUP LIMITED** (the "**Company**") appointed by each of them as their attorney and agent pursuant to the terms of the China Aoyuan Schemes;
- (2) **CHINA AOYUAN GROUP LIMITED**, a company incorporated with limited liability under the laws of the Cayman Islands (the "**Company**"); and
- (3) **THE ENTITIES LISTED IN Schedule 2** which are part of the China Aoyuan Offshore Group.

**Whereas:**

- (A) On [●] 2023, the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2022 Revision) between the Company and the Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●] 2023, the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").
- (B) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Claims (as defined in the China Aoyuan Schemes) and certain other claims are being released.
- (C) Under the authority conferred by the China Aoyuan Schemes, the Company has been authorised and instructed to execute and deliver this Deed on behalf of the Scheme Creditors in order to facilitate the transactions contemplated by the China Aoyuan Schemes.
- (D) The background and terms of the China Aoyuan Schemes and the Restructuring (as defined in the China Aoyuan Schemes) are described in further detail in the Explanatory Statement dated [●] 2023 (the "**Explanatory Statement**").
- (E) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document by hand.

## **1 Definitions and interpretation**

### **1.1 Definitions**

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

In this Deed:

**"Dispute"** has the meaning given to that term in Clause 8.2;

**"Existing Hong Kong Debt"** means, collectively, the financing arrangements described in Schedule 1;

**"Existing Hong Kong Debt Finance Documents"** means each "Finance Document" under and as defined under the Existing Hong Kong Debt (as applicable), all agreements, deeds and instruments relating to the Existing Hong Kong Debt and any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes;

**"Party"** means a party to this Deed; and

**"Restructuring Released Party"** has the meaning given to that term in Clause 2.2.

## **1.2 Construction**

In this Deed, except where the context otherwise requires:

- 1.2.1 a reference to any person includes its successors, permitted assigns and permitted transferees;
- 1.2.2 references to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Restructuring Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part); and
- 1.2.3 references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof.

## **2 Releases and waivers**

- 2.1 Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, all of the rights, title and interest of:

- 2.1.1 each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);
- 2.1.2 the Existing Private Notes Common Depositary and the Existing Private Notes Fiscal Agent to any claims they have or may have under each Existing Private Notes Global Note, each Existing Private Notes Instrument or any parallel debt covenant (as applicable);
- 2.1.3 each Existing Syndicated Facilities Administrative Party to any claims it has or may have under the Existing Syndicated Facilities or any parallel debt covenant (as applicable);
- 2.1.4 China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" under the USD200m CCB Facility or any parallel debt covenant (as applicable);
- 2.1.5 China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and Dragons 719 Limited in its capacity as "Security Agent" under the USD200m Happy Team Facility or any parallel debt covenant (as applicable); and
- 2.1.6 Tai Fung Bank Limited in its capacity as "Facility Agent" and "Security Agent" under the HKD780m Tai Fung Bank Facility or any parallel debt covenant (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of the China Aoyuan Schemes and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assigns (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the Existing Private Notes, the Existing Hong Kong Debt or otherwise all or any part of its Scheme Claims after the Record Date).

**2.2** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor (to the extent it has not already done so pursuant to Clause 2.1 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

**2.2.1** the China Aoyuan Offshore Group; and

**2.2.2** each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent; and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above in this Clause 2.2, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents (including but not limited to each Existing Private Notes Global Note, each Existing Private Notes Instrument and the Existing Hong Kong Debt Finance Documents) and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents (including but not limited to each Existing Private Notes Global Note, each Existing Private Notes Instrument and the Existing Hong Kong Debt Finance Documents); (ii) the Scheme Claims; and/or (iii) the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes and/or the Restructuring including the carrying out of the steps and transactions contemplated in the China Aoyuan Schemes (including, without limitation, the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

**2.3** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or

prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel and Affiliates. and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

**2.4** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

**2.4.1** the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);

**2.4.2** the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or

**2.4.3** the execution of the China Aoyuan Schemes, the Restructuring Documents or any other documents required in order to implement the China Aoyuan Schemes, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in the China Aoyuan Schemes, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

**2.5** Nothing in this Clause 2 shall:

**2.5.1** in any way impair or prejudice any rights of any Scheme Creditor arising under the China Aoyuan Schemes or any Restructuring Document (including as a consequence of non-compliance with the terms of the China Aoyuan Schemes or the Restructuring Documents);

**2.5.2** (without prejudice to the generality of Clause 2.5.1 above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the China Aoyuan Schemes and/or any Restructuring Documents;

**2.5.3** extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;



- 2.5.4 apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to, under or in connection with the Existing Debt Finance Documents, the China Aoyuan Schemes or the Restructuring;
- 2.5.5 apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring; or
- 2.5.6 release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

- 2.6 The waivers, releases and discharges granted under this Clause 2 shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.

### **3 Further assurance**

At the reasonable request and cost of any Restructuring Released Party, the Scheme Creditors shall execute and deliver such documents, and do such things, (or, as applicable, procure the execution and delivery of such documents, or the doing of such things) as may reasonably be required to give full effect to this Deed, including, without limitation, to perfect or evidence any release, waiver or discharge referred to in this Deed.

### **4 Severability**

Each provision contained in this Deed shall be severable and distinct from every other such provision and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### **5 Third party rights**

- 5.1 Each Restructuring Released Party and all of their respective firms' and companies' current, future and former direct and indirect Affiliates, equity holders, members, managing members, officers, directors, partners, employees, advisers, principals, attorneys, professional advisers, accountants, investment bankers, consultants, agents and representatives

(including their Affiliates) may rely on this Deed and enforce any of its terms as if it were a party to this Deed.

**5.2** Subject to Clause 5.1, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623) to enforce or to enjoy the benefit of any term of this Deed.

**5.3** Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## **6 Amendment and waivers**

No amendment, variation, rescission or termination of this Deed shall be effective unless such amendment, variation, rescission or termination is agreed to in writing by the Company and each Scheme Creditor.

## **7 Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## **8 Governing law and jurisdiction**

**8.1** This Deed and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and construed in accordance with, Hong Kong law.

**8.2** The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

**8.3** The Parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

**8.4** This Clause 8 is for the benefit of the Company only. As a result, the Company shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Company may take concurrent proceedings in any number of jurisdictions.

**This Deed has been delivered on the date stated at the beginning of this Deed.**

## Schedule 1

### Part A

#### Existing Private Notes

S/n	Description of Existing Private Notes	ISIN	Existing Private Notes Instruments
1.	US\$100,000,000 6.00% guaranteed Bonds Due 2022	XS2190931365	As constituted by (i) the deed of covenant dated 19 June 2020 and fiscal agency agreement dated 19 June 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) deed of guarantee dated 19 June 2020 entered into by the Company as guarantor, as amended, supplemented, or otherwise modified from time to time.
2.	US\$250,000,000 10.75% guaranteed Bonds Due 2022	XS2372877469	As constituted by (i) the deed of covenant dated 18 August 2021 and fiscal agency agreement dated 18 August 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Power Linkage Limited, and (ii) deed of guarantee dated 18 August 2021 entered into by the Company as guarantor, as amended, supplemented, or otherwise modified from time to time.
3.	US\$200,000,000 7.38% guaranteed Bonds Due 2021	XS2265803283	As constituted by (i) the deed of covenant dated 10 December 2020 and fiscal agency agreement dated 10 December 2020, each as amended, supplemented, or otherwise modified from time to time, entered into by Luck Gain Limited, and (ii) the deed of guarantee dated 10 December 2020 entered into by the Company as guarantor, as amended, supplemented, or otherwise modified from time to time.
4.	US\$100,000,000 6.05% guaranteed Bonds Due 2022	XS2282540025	As constituted by (i) the deed of covenant dated 21 January 2021 and fiscal agency agreement dated 21 January 2021, each as amended, supplemented, or otherwise modified from time to time, entered into by Multi-Prospect Limited, and (ii) the deed of guarantee dated 21 January 2021 entered into by the Company as guarantor, as amended, supplemented, or otherwise modified from time to time.

**Part B**

**Existing Syndicated Facilities**

<b>S/n</b>	<b>Description of Existing Syndicated Facilities</b>
1.	The facility agreement in respect of the HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, the Company as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time
2.	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, the Company as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time
3.	The facility agreement in respect of the HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, the Company as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

**Part C**

**Existing Bilateral Facilities (SBLC)**

S/n	Description of Existing Bilateral Facilities (SBLC)
1.	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between the Company as borrower and Hang Seng Bank Limited as lender
2.	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between the Company as borrower and The Bank of East Asia, Limited as lender
3.	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between the Company as borrower and CMB Wing Lung Bank Limited as lender
4.	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021, entered into between the Company as borrower and Hang Seng Bank Limited as lender

**Part D**

**Existing Other Offshore Financings**

<b>S/n</b>	<b>Description of Existing Other Offshore Financings</b>
1.	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between the Company as borrower and China CITIC Bank International Limited as lender
2.	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between the Company as borrower and Nanyang Commercial Bank, Limited as lender
3.	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between the Company as borrower and Chiyu Banking Corporation Limited as lender
4.	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, the Company as borrower and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time (the <b>"USD200m CCB Facility"</b> )
5.	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder
6.	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, the Company as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time (the <b>"USD200m Happy Team Facility"</b> )

## Part E

### Existing Onshore Facilities

S/n	Description of Existing Onshore Facilities
1.	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
2.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
3.	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
4.	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
5.	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
6.	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
7.	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
8.	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
9.	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
10.	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the

	benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
11.	Loan between 天津凯华奎恩房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司(Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)
12.	Loan between 重庆中翡岛置业有限公司(Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)



**Part F**  
**Existing Private Loans**

S/n	Description of Existing Private Loans
1.	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as company, the Company as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time
2.	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time
3.	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, the Company as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility

**Part G**

**USD100m Noble Prestige Facility**

S/n	Description of USD100m Noble Prestige Facility
1.	US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, the Company as borrower, Aoyuan Group Company Limited (奥园集团有限公司) as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time

## **Schedule 2**

- 1** Asia Dynasty Enterprises Limited (廣京企業有限公司)
- 2** Happy Team Investments Limited (樂添投資有限公司)
- 3** Ever First Consultants Limited (創豐顧問有限公司)

**SIGNATURES**

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**THE SCHEME CREDITORS**

acting by

**CHINA AOYUAN GROUP LIMITED** (as duly appointed attorney and agent on behalf of and under the authority granted to it by each Scheme Creditor under the terms of the China Aoyuan Schemes) acting by its authorised signatory

in the presence of:

Signature of witness:

\_\_\_\_\_

Authorised Signatory

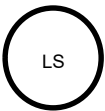
Name:

Title:

\_\_\_\_\_

Name:

Address:



**Company**

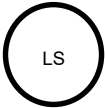
**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**CHINA AOYUAN GROUP LIMITED**  
acting by its authorised signatory

in the presence of:  
Signature of witness:

\_\_\_\_\_  
Authorised Signatory  
Name:  
Title:

\_\_\_\_\_  
Name:  
Address:



**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**ASIA DYNASTY ENTERPRISES**  
**LIMITED (廣京企業有限公司)**

acting by its authorised signatory

in the presence of:

Signature of witness:

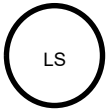
\_\_\_\_\_  
Authorised Signatory

Name:

Title:

\_\_\_\_\_  
Name:

Address:



**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**HAPPY TEAM INVESTMENTS**  
**LIMITED (樂添投資有限公司)**

acting by its authorised signatory

in the presence of:

Signature of witness:

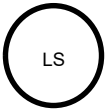
\_\_\_\_\_  
Authorised Signatory

Name:

Title:

\_\_\_\_\_  
Name:

Address:



**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**EVER FIRST CONSULTANTS**  
**LIMITED (創豐顧問有限公司)**

acting by its authorised signatory

in the presence of:

Signature of witness:

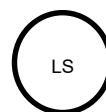
\_\_\_\_\_  
Authorised Signatory

Name:

Title:

\_\_\_\_\_  
Name:

Address:





**Part C**

**ENGLISH LAW DEED OF RELEASE**

**[See over page]**

## English Law Deed of Release

Dated \_\_\_\_\_

THE SCHEME CREDITORS

and

CHINA AOYUAN GROUP LIMITED

as the Company

This Deed is made on \_\_\_\_\_ by:

- (1) **THE SCHEME CREDITORS** under and as defined in the China Aoyuan Schemes (as defined below) (the "**Scheme Creditors**"), acting by **CHINA AOYUAN GROUP LIMITED** (the "**Company**") appointed by each of them as their attorney and agent pursuant to the terms of the China Aoyuan Schemes; and
- (2) **CHINA AOYUAN GROUP LIMITED**, a company incorporated with limited liability under the laws of the Cayman Islands (the "**Company**").

**Whereas:**

- (A) On [●] 2023, the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2022 Revision) between the Company and the Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●] 2023, the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").
- (B) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Claims (as defined in the China Aoyuan Schemes) and certain other claims are being released.
- (C) Under the authority conferred by the China Aoyuan Schemes, the Company has been authorised and instructed to execute and deliver this Deed on behalf of the Scheme Creditors in order to facilitate the transactions contemplated by the China Aoyuan Schemes.
- (D) The background and terms of the China Aoyuan Schemes and the Restructuring (as defined in the China Aoyuan Schemes) are described in further detail in the Explanatory Statement dated [●] 2023 (the "**Explanatory Statement**").
- (E) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document by hand.

## **1 Definitions and interpretation**

### **1.1 Definitions**

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

In this Deed:

**"Dispute"** has the meaning given to that term in Clause 8.2;

**"Party"** means a party to this Deed;

**"Restructuring Released Party"** has the meaning given to that term in Clause 2.2;

**"USD120m King World Facility Finance Documents"** means each "Finance Document" under and as defined under the USD120m King World Facility; and

**"USD150m King World Facility Finance Documents"** means each "Finance Document" under and as defined under the USD150m King World Facility.

## **1.2 Construction**

In this Deed, except where the context otherwise requires:

- 1.2.1** a reference to any person includes its successors, permitted assigns and permitted transferees;
- 1.2.2** references to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Restructuring Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part); and
- 1.2.3** references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof.

## **2 Releases and waivers**

- 2.1** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, all of the rights, title and interest of:

- 2.1.1** each Scheme Creditor to its Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);
- 2.1.2** China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD120m King World Facility to any claims it has or may have under any USD120m King World Facility Finance Documents or any parallel debt covenant (as applicable); and
- 2.1.3** China Construction Bank (Asia) Corporation Limited in its capacity as "Agent" and "Security Agent" under the USD150m King World Facility to any claims it has or may have under any USD150m King World Facility Finance Documents or any parallel debt covenant (as applicable),

shall, in each case, as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), be discharged fully and absolutely by operation of the China Aoyuan Schemes and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its respective successors and assigns (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to the USD120m King World Facility, USD150m King World Facility or otherwise all or any part of its Scheme Claims after the Record Date).

- 2.2** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each

Scheme Creditor (to the extent it has not already done so pursuant to Clause 2.1 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

2.2.1 the China Aoyuan Offshore Group; and

2.2.2 each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

(each person referred to above in this Clause 2.2, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents (including but not limited to the USD120m King World Facility Finance Documents and USD150m King World Facility Finance Documents) and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to the Existing Debt Finance Documents (including but not limited to the USD120m King World Facility Finance Documents and USD150m King World Facility Finance Documents); (ii) the Scheme Claims; and/or (iii) the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes and/or the Restructuring including the carrying out of the steps and transactions contemplated in the China Aoyuan Schemes (including, without limitation, the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

2.3 Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel

and Affiliates, and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

**2.4** Subject to Clause 2.5 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

**2.4.1** the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);

**2.4.2** the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes, the Restructuring Documents (or related documentation), the Existing Debt Finance Documents and/or the Restructuring Support Agreement; and/or

**2.4.3** the execution of the China Aoyuan Schemes, the Restructuring Documents or any other documents required in order to implement the China Aoyuan Schemes, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in the China Aoyuan Schemes, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

in each case other than an Allowed Proceeding.

**2.5** Nothing in this Clause 2 shall:

**2.5.1** in any way impair or prejudice any rights of any Scheme Creditor arising under the China Aoyuan Schemes or any Restructuring Document (including as a consequence of non-compliance with the terms of the China Aoyuan Schemes or the Restructuring Documents);

**2.5.2** (without prejudice to the generality of Clause 2.5.1 above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the China Aoyuan Schemes and/or any Restructuring Documents;

**2.5.3** extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;

**2.5.4** apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to,

under or in connection with the Existing Debt Finance Documents, the China Aoyuan Schemes or the Restructuring;

2.5.5 apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring; or

2.5.6 release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

2.6 The waivers, releases and discharges granted under this Clause 2 shall be treated, for all purposes whatsoever and without limitation, as having been granted irrevocably by deed.

### 3 Further assurance

At the reasonable request and cost of any Restructuring Released Party, the Scheme Creditors shall execute and deliver such documents, and do such things, (or, as applicable, procure the execution and delivery of such documents, or the doing of such things) as may reasonably be required to give full effect to this Deed, including, without limitation, to perfect or evidence any release, waiver or discharge referred to in this Deed.

### 4 Severability

Each provision contained in this Deed shall be severable and distinct from every other such provision and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

### 5 Third party rights

5.1 Each Restructuring Released Party and all of their respective firms' and companies' current, future and former direct and indirect Affiliates, equity holders, members, managing members, officers, directors, partners, employees, advisers, principals, attorneys, professional advisers, accountants, investment bankers, consultants, agents and representatives

(including their Affiliates) may rely on this Deed and enforce any of its terms as if it were a party to this Deed.

**5.2** Subject to Clause 5.1, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

**5.3** Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

## **6 Amendment and waivers**

No amendment, variation, rescission or termination of this Deed shall be effective unless such amendment, variation, rescission or termination is agreed to in writing by the Company and each Scheme Creditor.

## **7 Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## **8 Governing law and jurisdiction**

**8.1** This Deed and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and construed in accordance with, English law.

**8.2** The courts of England & Wales have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

**This Deed has been delivered on the date stated at the beginning of this Deed.**



**SIGNATURES**

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**THE SCHEME CREDITORS**

acting by

**CHINA AOYUAN GROUP LIMITED** (as duly appointed attorney and agent on behalf of and under the authority granted to it by each Scheme Creditor under the terms of the China Aoyuan Schemes) acting by its authorised signatory

in the presence of:

Signature of witness:

\_\_\_\_\_

Authorised Signatory

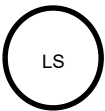
Name:

Title:

\_\_\_\_\_

Name:

Address:



**Company**

**SIGNED, SEALED and DELIVERED**  
**as a DEED by**

**CHINA AOYUAN GROUP LIMITED**

acting by its authorised signatory

in the presence of:

Signature of witness:

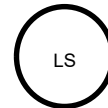
\_\_\_\_\_  
Authorised Signatory

Name:

Title:

\_\_\_\_\_  
Name:

Address:



**Part D**

**PRC LAW DEED OF RELEASE**

**[See over page]**

**THE SCHEME CREDITORS**

计划债权人

**AND**

与

**CHIAN AOYUAN GROUP LIMITED**

中国奥园集团有限公司

**Deed of Release**

解除契据

## Deed of Release

### 解除契据

This Agreement is signed by Party A and Party B on \_\_\_\_\_.

本协议由甲方和乙方于 年 月 日签订。

**Party A: THE SCHEME CREDITORS** under and as defined in the China Aoyuan Schemes (as defined below) (the "**Scheme Creditors**"), acting by **CHINA AOYUAN GROUP LIMITED** appointed by each of them as their attorney and agent pursuant to the terms of the China Aoyuan Schemes.

甲方：中国奥园计划（定义见下文）项下的并经其定义的计划债权人（“计划债权人”），均依照中国奥园计划的条款指派中国奥园集团有限公司作为其代表和代理人行事。

**Party B: CHINA AOYUAN GROUP LIMITED**, a company incorporated with limited liability under the laws of the Cayman Islands (the "**Company**").

乙方：中国奥园集团有限公司，一家依据开曼群岛法律注册成立的有限责任公司（“公司”）。

The above parties are individually referred to as "**Party**" or "**Parties**".

上述双方单独称为“一方”，合称“双方”。

### WHEREAS:

鉴于：

- (A) The Company owes certain Liabilities to certain Scheme Creditors, whether as principal, surety or otherwise, under (i) the US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, the Company as borrower, Aoyuan Group Company Limited (奥园集团有限公司) as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time ("**USD100m Noble Prestige Facility**"), and (ii) certain financing arrangements (the "**Existing Onshore Facilities**") as described in Schedule 1 (*Existing Onshore Facilities*) herein and all agreements and instruments (including any related guarantee, security and intercreditor documentation, including all their schedules, appendices and annexes) relating to the Existing Onshore Facilities (the "**Existing Onshore Facilities Finance Documents**").

公司根据 (i)公司（作为借款人）、奥园集团有限公司（作为中国保证人）及 Noble Prestige (Cayman) Limited（作为贷款人）等各方于 2020 年 12 月 31 日订立的 100,000,000 美元定期贷款授信协议（经不时修订或补充）（“**1 亿美元 Noble Prestige 授信**”）；及(ii) 附件一（**现有境内授信**）中所述的某些融资安排（“**现有境内授信**”），以及与**现有境内授信**有关的所有协议和文件（包括任何相关保函、担保和债权人文件，包括其所有附件、附录和附表）（“**现有境内授信融资文件**”）对某些**计划债权人**（以本人、担保人或其他身份）负有某些**债务**。

- (B) Noble Prestige (Cayman) Limited commenced arbitration proceedings against Aoyuan Group Company Limited (奥园集团有限公司) in connection with the USD100m Noble Prestige Facility

and obtained an arbitration award dated 22 November 2022 granted by the Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Centre) ("**Noble Prestige Arbitration Award**").

Noble Prestige (Cayman) Limited 就 1 亿美元 Noble Prestige 授信对奥园集团有限公司提起仲裁程序并取得上海国际经济贸易仲裁委员会（上海国际仲裁中心）于 2022 年 11 月 22 日作出的仲裁裁决（“**Noble Prestige 仲裁裁决**”）。

- (C) On [●] 2023, the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2022 Revision) between the Company and the Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●] 2023, the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").

2023 年[●]月[●]日，开曼群岛大法院根据《开曼群岛公司法（2022 年修订本）》第 86 条批准公司与计划债权人订立的协议安排（“**中国奥园开曼计划**”）。2023 年[●]月[●]日，香港高等法院根据香港《公司条例》（第 622 章）第 670、673 及 674 条批准公司与计划债权人订立一项协议安排（“**中国奥园香港计划**”，同**中国奥园开曼计划**合称为“**中国奥园计划**”）。

- (D) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Claims, which include the Liabilities owed by the Company under the USD100m Noble Prestige Facility, Noble Prestige Arbitration Award and the Existing Onshore Facilities (together "**China Aoyuan Liabilities**"), are being released.

根据**中国奥园计划**的条款，计划请求权（包括公司在 1 亿美元 Noble Prestige 授信、Noble Prestige 仲裁裁决和现有境内授信项下的债务（合称“**中国奥园债务**”））将予以解除。

- (E) Under the authority conferred by the China Aoyuan Schemes, the Company has been authorised and instructed to execute and deliver this Agreement on behalf of the Scheme Creditors in order to facilitate the transactions contemplated by the China Aoyuan Schemes.

根据**中国奥园计划**所赋予之权力，公司已获授权及指示代表计划债权人签署及交付本协议，以促成**中国奥园计划**中设想之交易。

Based on the above, the Parties agree to release of the China Aoyuan Liabilities on the following terms:

基于以上所述内容，双方同意按以下条款解除**中国奥园债务**：

1. Capitalised terms used in this Agreement that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

本协议中黑体部分的术语，如未另行定义的，应具有**中国奥园计划**中所赋予之含义。

2. Subject to Clause 6 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, all of the rights, title and interest of each Scheme Creditor to its Scheme Claims as against the China Aoyuan Offshore Group (save for the China Aoyuan Scheme Excluded Liabilities), shall be discharged fully and absolutely by operation of the China Aoyuan Schemes and the Scheme Claims will be released, cancelled, fully compromised and forever discharged, without any action on the part of any Scheme Creditor or any other person, in each case so as to bind each Scheme Creditor and its

respective successors and assigns (including, without limitation, any person to whom a Scheme Creditor has transferred all or any part of its interest in and/or title to Noble Prestige Arbitration Award, the Existing Onshore Facilities or otherwise all or any part of its Scheme Claims after the Record Date).

受限于第 6 条以及**解除契据**，自**重组生效日**起且在每一**重组步骤**（不包括**中国奥园计划**第 4.3.2(ix)条中所列的步骤）均实际完成（而不是视为完成）的前提下，每一名**计划债权人**就其**计划请求权**对**中国奥园境内集团**所享有的全部权利、所有权和利益（不包括**中国奥园计划被排除的债务**）均应依据**中国奥园计划**被完全和绝对地撤销，且该等**计划请求权**将被解除、撤销、完全妥协和永久排除，无需任何**计划债权人**或者任何其他他人采取任何行动，每一项解除的效力均及于每一名**计划债权人**以及其各自的继受人和受让人（包括但不限于某**计划债权人**在**登记日**之后向其全部或部分转让了 **Noble Prestige 仲裁裁决**、**现有境内授信**之中的任何利益和/或之上的任何所有权或者以其他方式向其全部或部分转让了任何**计划请求权**的任何人）。

3. Subject to Clause 6 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor (to the extent it has not already done so pursuant to Clause 2 in respect of its Scheme Claims), in each case, on behalf of itself and each of its successors and assignees, irrevocably and unconditionally, fully and finally waives and releases and forever discharges:

受限于第 6 条以及**解除契据**，自**重组生效日**起且在每一**重组步骤**（不包括**中国奥园计划**第 4.3.2(ix)条中所列的步骤）均实际完成（而不是视为完成）的前提下，每一名**计划债权人**（如其尚未就其**计划请求权**依据第 2 条进行解除的）均代表其自身以及其每一位继受人和受让人不可撤销、无条件、完全和终局性地放弃、解除并永久性撤销：

- a. the China Aoyuan Offshore Group; and

**中国奥园境外集团；及**

- b. each of the following (in each case, in its or their capacity as such): (i) the Advisers; (ii) any Director; (iii) the Scheme Administrators and their Affiliates; (iv) the Chairperson; (v) the Information Agent and its personnel and Affiliates; (vi) the Blocked Scheme Creditor Tabulation Agent; (vii) the Existing Debt Administrative Parties; (viii) the Aoyuan New Securities Administrative Parties; (ix) the Holding Period Trustee; (x) the Adjudicator; (xi) the Ad Hoc Group; (xii) the CoCom; (xiii) the Escrow Agent and/or (xiv) any other Scheme Creditor (or its Designated Recipient, as applicable) or its Affiliates,

下列以该身份行事的任何一方：(i)**顾问**、(ii)任何**董事**、(iii)**计划管理人**及其**关联方**、(iv)**董事长**、(v) **信息代理**及其人员和**关联方**、(vi)**被阻却计划债权人制表代理**、(vii)**现有债务管理方**、(viii)**奥园新证券管理方**、(ix)**持有期受托人**、(x)**审裁员**、(xi)**特别小组**、(xii)**CoCom**、(xiii)**托管代理及/或(xiv)任何其他计划债权人**（或其**指定接收人**，视情况而定）或者其**关联方**，

(each person referred to above in this Clause 3, a "**Restructuring Released Party**") in respect of each and every claim which it ever had, may have or hereafter can, shall or may have against any Restructuring Released Party for any Liability in relation to or arising out of or in connection with: (i) each of the Noble Prestige Arbitration Award, the Existing Onshore Facilities and the Existing Onshore Facilities Finance Documents and/or otherwise against any Restructuring Released Party in relation to any breaches or defaults under or pursuant to each of the Noble Prestige Arbitration Award, the Existing Onshore Facilities and the Existing Onshore Facilities Finance Documents; (ii) the Scheme Claims; and/or (iii) the negotiation, preparation,

implementation and/or consummation of the China Aoyuan Schemes and/or the Restructuring including the carrying out of the steps and transactions contemplated in the China Aoyuan Schemes (including, without limitation, the China Aoyuan Schemes, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), in each case excluding the China Aoyuan Scheme Excluded Liabilities.

（本第 3 条中前述每一位称为“**重组被解除方**”）针对以上各方其所曾经拥有、可能拥有、或者此后可以拥有、应拥有或可能拥有与以下各项相关或者因其引起的责任的任何请求：(i)任一**Noble Prestige 仲裁裁决、现有境内授信和现有境内授信融资文件**及/或与任一**Noble Prestige 仲裁裁决、现有境内授信和现有境内授信融资文件**项下任何违约行为相关的其他针对任何**重组被解除方**的情形，(ii)**计划请求权**，及/或 (iii)**中国奥园计划**及/或**重组**的谈判、准备、执行及/或完成，包括但不限于实施**中国奥园计划**（包括但不限于**中国奥园计划、重组步骤、重组文件、重组支持协议**以及前述任何文件）中设想的步骤和交易，并在每种情况下均不包括**中国奥园计划被排除的负债**。

4. Subject to Clause 6 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, the Company and each of its Affiliates (including, for the avoidance of doubt, each of the other Existing Debt Obligors), in each case on behalf of itself and each of its successors and assignees, and save for fraud, wilful default or wilful misconduct, irrevocably and unconditionally, fully and finally waives and releases and forever discharges any and all actions, proceedings, claims, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs, whether present or future, prospective or contingent, whether in this jurisdiction or any other or under any law, of whatsoever nature and howsoever arising, whether in law or in equity, in contract (including, but not limited to, breaches or non-performances of contract), statute or in tort (including, but not limited to, negligence and misrepresentation) or any other manner whatsoever, breaches of statutory duty, for contribution, or for interest and/or costs and/or disbursements, whether or not for a fixed or unliquidated amount, whether filed or unfilled, whether asserted or unasserted, whether or not presently known to the parties or to the law, in each case that it ever had, may have or hereafter can, shall or may have arising out of actions, omissions or circumstances on or prior to the Restructuring Effective Date against Existing Debt Administrative Parties and the Aoyuan New Securities Administrative Parties and their respective advisers, the Ad Hoc Group and its Affiliates, the CoCom and its Affiliates, the Information Agent and its personnel and Affiliates and the Advisers in relation to or arising out of or in connection with: (i) the Existing Debt Finance Documents; and/or (ii) the negotiation, preparation and/or consummation of this Scheme and/or the Restructuring, including the carrying out of the steps and transactions contemplated in this Scheme in accordance with their terms (including, without limitation this Scheme, the Restructuring Steps, the Restructuring Documents, the Restructuring Support Agreement and any document referred to in the foregoing), to the extent permitted by applicable laws.

受限于第 6 条以及**解除契据**，自**重组生效日**起且在每一重组步骤（不包括**中国奥园计划**第 4.3.2(ix)条中所列的步骤）均实际完成（而不是视为完成）的前提下，**公司**以及其每一**关联方**（为免疑义，包括每一其他**现有债务人**）均在适用的法律允许的限度内代表其自身以及其每一位继受人和受让人不可撤销、无条件、完全和终局性地放弃、解除并永久性撤销（存在欺诈、故意违约或故意不当行为情形的除外）与以下各项（(i)**现有债务融资文件**，及/或 (ii)本**计划**及/或**重组**的谈判、准备、执行及/或完成包括按本**计划**的条款（包括但不限于本**计划、重组步骤、**



重组文件、重组支持协议以及前述任何文件）实施其项下的步骤和交易）相关或者因其引起的针对**现有债务管理方及奥园新证券管理方**以及其各自的顾问、**特别小组**及其关联方、**CoCom**及其关联方、**信息代理**及其人员和**关联方**、以及**顾问**其所曾经进行、有权进行、或者此后因**重组生效日**或之前所发生的行为、不作为或情形导致其可以、应当或者有权进行的任何及全部诉讼、程序、请求、损害赔偿、反诉、投诉、责任、留置、权利、要求和抵销权，不论其是现有的还是将来的、是预期的还是或然的，不论其是在开曼群岛还是在其他司法管辖区，依据任何法律、具有任何性质以及如何引发，不论其是普通法上的、衡平法上的、合同上的（包括但不限于违约或不履行合同）、成文法上的、侵权上的（包括但不限于疏忽和不实陈述）或任何其他方式上的，违反法定职责、部分责任、利息、成本及/或费用，不论金额确定与否，不论是否已启动程序，不论是否已主张权利，也不论当下各当事方是否知晓或者法律是否有规定。

5. Subject to Clause 6 and the Deeds of Release, with effect from the Restructuring Effective Date and conditional on actual (and not deemed) completion of each of the Restructuring Steps save for the step set out in clause 4.3.2(ix) of the China Aoyuan Schemes, each Scheme Creditor, in each case on behalf of itself and each of its successors and assignees, irrevocably and unconditionally undertakes that it will not commence, take or continue, or support any person commencing, taking or continuing, or instruct any person to commence, take or continue any Proceedings or other judicial, quasi-judicial, administrative or regulatory process in any jurisdiction whatsoever against any Restructuring Released Party, in each case in relation to or arising out of or in connection with:

受限于第 6 条以及**解除契据**，自**重组生效日**起且在每一重组步骤（不包括**中国奥园计划**第 4.3.2(ix)条中所列的步骤）均实际完成（而不是视为完成）的前提下，每一名**计划债权人**均代表其自身以及其每一位继受人和受让人不可撤销和无条件地承诺：其不会在任何司法管辖区针对任何**重组被解除方**启动、采取或继续（或者支持或指示任何人启动、采取或继续）与以下任何一项相关或因其引起的任何**诉讼**或其他司法、准司法、行政或监管程序：

- a. the Scheme Claims (which shall not include, for the avoidance of doubt, the China Aoyuan Scheme Excluded Liabilities);

**计划请求权**（为免疑义，其不包括**中国奥园计划被排除的负债**）；

- b. the negotiation, preparation, implementation and/or consummation of the China Aoyuan Schemes, the Restructuring Documents (or related documentation), the Noble Prestige Arbitration Award, the Existing Onshore Facilities Finance Documents and/or the Restructuring Support Agreement; and/or

**中国奥园计划、重组文件**（或相关文档）、**Noble Prestige 仲裁裁决**、**现有境内授信融资文件**及/或**重组支持协议**的谈判、准备、执行及/或完成，及/或

- c. the execution of the China Aoyuan Schemes, the Restructuring Documents or any other documents required in order to implement the China Aoyuan Schemes, or the taking of any steps or actions necessary or desirable to implement the transactions contemplated in the China Aoyuan Schemes, including the Restructuring Steps, and the carrying out of the actions, steps and transactions contemplated by them,

签署**中国奥园计划、重组文件**或为执行**中国奥园计划**所需的任何其他文件或者为执行**中国奥园计划**项下的交易而采取任何必须或合理需要的任何步骤或行动，包括**重组步骤**以及其项下行动、步骤和交易的执行，

in each case other than an Allowed Proceeding.

上述各项均不包括**允许的程序**。

6. Nothing in this Agreement shall:

- a. in any way impair or prejudice any rights of any Scheme Creditor arising under the China Aoyuan Schemes or any Restructuring Document (including as a consequence of non-compliance with the terms of the China Aoyuan Schemes or the Restructuring Documents);
- b. (without prejudice to the generality of Clause 6(a) above) in any way release, waive, impair or prejudice any claims in respect of fees, disbursements, expenses, and any other costs of the Advisers, the Existing Debt Administrative Parties and the Information Agent that are payable in accordance with the terms of the China Aoyuan Schemes and/or any Restructuring Documents;
- c. extend to any claim or Liability of any Adviser arising under or relating to a duty of care to such Adviser's client or arising under a duty of care to another person which has been expressly accepted or acknowledged in writing by that Adviser;
- d. apply to any claim or Liability or cause of action arising from or relating to fraud, wilful default or wilful misconduct of any Restructuring Released Party or any claim or Liability or cause of action which does not arise directly or indirectly pursuant to, under or in connection with the Noble Prestige Arbitration Award, the Existing Onshore Facilities Finance Documents, the China Aoyuan Schemes or the Restructuring;
- e. apply to any claim or Liability or cause of action against any Directors for breach of director's duties or malfeasance arising from or relating to actions, omissions or circumstances which are not under or in connection with the negotiation, preparation and/or consummation of the China Aoyuan Schemes and/or the Restructuring; or
- f. release, nor may be asserted to release, the China Aoyuan Group from, or in any way prejudice or impair or hinder any claims or causes of action of the Existing Public Notes Administrative Parties party to the Existing Public Notes Indentures to exercise the Surviving Rights,

(the above, collectively, the "**Excluded Claims**").

本**协议**任何条款均不应:

- a. 以任何方式削弱或损害任何**计划债权人**依**中国奥园计划**或任何**重组文件**项下所产生（包括因不遵守**中国奥园计划**或**重组文件**的条款所产生）的任何权利；
- b. （在不影响上述第 6(a)条适用范围的前提下）以任何方式解除、放弃、减损或不利于与依据**中国奥园计划**及/或任何**重组文件**应当向**顾问**、**现有债务管理方**或**信息代理**支付的费用、支出、开销以及任何其他成本相关的任何请求权；
- c. 扩展至任何**顾问**依据其对客户的注意义务所产生或与之相关的或者依据其对其他人的注意义务所产生的而且经该顾问书面明确接受或承认的任何请求权或者**责任**；
- d. 适用于因任何**重组被解除方**的欺诈、故意违约或故意不当行为所发生的或与之相关的或者非直接或间接依据 **Noble Prestige 仲裁裁决**、**现有境内授信融资文件**、**中国奥园计划**或**重组**或直接或间接与之相关的任何请求权、**责任**或案由；
- e. 适用于就任何董事长与**中国奥园计划**及/或**重组**的谈判、准备、执行及/或完成的作为，不作为或情况无关的违反董事职责或渎职行为的任何请求权、**责任**或案由；或

f. 解除或得以主张解除针对**中国奥园集团**的作为**现有公众票据债券**当事方的**现有公众票据管理方**行使存续权利的任何请求权或案由或者以任何方式不利于、损害或阻碍，

（以上合称“**被排除的请求权**”）。

7. At the reasonable request and cost of any Restructuring Released Party, the Scheme Creditors shall execute and deliver such documents, and do such things, (or, as applicable, procure the execution and delivery of such documents, or the doing of such things) as may reasonably be required to give full effect to this Agreement, including, without limitation, to perfect or evidence any release, waiver or discharge referred to in this Agreement.

应任何**重组被解除方**的合理要求并由其承担费用，**计划债权人**应签署和交付为使本**协议**充分生效而合理要求的文件，并采取为使本**协议**充分生效而合理要求的行动（或者，视情形而定，促成他人签署和交付该等文件或采取该等行动），包括但不限于完善或证明本**协议**所述的任何解除、放弃或清偿。

8. This Agreement and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and construed in accordance with the laws of the People's Republic of China.

本**协议**以及因其引起或与之相关的任何非合同义务均适用**中华人民共和国**法律并依其进行解释。

9. The courts of the People's Republic of China have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

**中华人民共和国**的法院对因本**协议**引起的或与之相关的任何争议（包括与本**协议**的存在、有效性或终止相关的争议或者因本**协议**引起或与之相关的任何非合同义务）（“**争议**”）的解决具有非排他性管辖权。

10. This Agreement is made in **【●】** counterparties, the Scheme Creditors and the Company respectively keep **【●】** counterparties, and each of which shall be deemed an original. This Agreement is written in Chinese and English, in case of any discrepancy, the English language version shall prevail.

本**协议**一式**【●】**份，各**计划债权人**及**公司**分别持**【●】**份，每份均视为原件。本**协议**以中文和英文书就，两种语言版本之间存在差异的，以英文版为准。

11. This Agreement shall come into force after being affixed with the official seals of the Parties and signed or sealed by their legal representatives or authorized representatives.

本**协议**经**各方**加盖公章并由其法定代表人或授权代表签字或盖章后生效。

(No text below)

（以下无正文）

## SCHEDULE 1

### 附件 1

#### Existing Onshore Facilities

#### 现有境内授信

S/n 序号	Description of Existing Onshore Facilities 现有境内授信说明
1.	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion  奥园集团有限公司（借款人）和广州南雅集团有限公司（贷款人）之间的 20 亿人民币贷款
2.	Fixed assets loan between 成都市奥誉置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million  成都市奥誉置业有限公司（借款人）和渤海银行股份有限公司成都分行（贷款人）之间的 8 亿人民币固定资产贷款
3.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million  奥园集团有限公司（借款人）和广州农村商业银行股份有限公司华夏支行（贷款人）之间的八千万人民币贷款
4.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB240 million  奥园集团有限公司（借款人）和广州农村商业银行股份有限公司华夏支行（贷款人）之间的 2.4 亿人民币贷款
5.	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million  奥园集团有限公司（借款人）和广州农村商业银行股份有限公司华夏支行（贷款人）之间的八千万人民币企业贷款
6.	M&A loan between 奥园集团（广东）有限公司 (Borrower) and 中国工商银行股份有限公司广州荔湾支行 (Lender) amounting to RMB600 million  奥园集团（广东）有限公司（借款人）和中国工商银行股份有限公司广州荔湾支行（贷款人）之间的 6 亿人民币并购贷款
7.	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)

	保定京汉君庭酒店有限公司（借款人）和廊坊银行股份有限公司顺安道支行（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于2020年8月17日提供的受香港法律管辖的担保之利益）
8.	<p>Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>金汉（天津）房地产开发有限公司（借款人）和廊坊银行股份有限公司顺安道支行（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于2020年8月17日提供的受香港法律管辖的担保之利益）</p>
9.	<p>Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>金汉（天津）房地产开发有限公司（借款人）和京汉置业集团有限责任公司（贷款人）之间的贷款（转让给中国华融资产管理股份有限公司天津市分公司之后又转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于2020年8月17日提供的受香港法律管辖的担保之利益）</p>
10.	<p>Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>京汉（廊坊）房地产开发有限公司（借款人）和渤海国际信托股份有限公司（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于2020年8月17日提供的受香港法律管辖的担保之利益）</p>
11.	<p>Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>京汉置业集团有限责任公司（借款人）和保定银行股份有限公司安新支行（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于2020年8月17日提供的受香港法律管辖的担保之利益）</p>
12.	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)

	京汉置业集团有限责任公司（借款人）和国民信托有限公司（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益）
13.	<p>Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>京汉置业集团有限责任公司、重庆市汉基伊达置业有限公司和中铁信托有限责任公司之间的债务转让与回购协议（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益）</p>
14.	<p>Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限责任公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>京汉置业集团有限责任公司（借款人）和大业信托有限责任公司（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益）</p>
15.	<p>Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>京汉置业集团有限责任公司（借款人）和北京金汉房地产开发有限公司（贷款人）之间的贷款（转让给中国华融资产管理股份有限公司天津市分公司之后又转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益）</p>
16.	<p>Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>南通华东建设有限公司（借款人）和廊坊银行股份有限公司顺安道支行（贷款人）之间的贷款（现已转让给中国信达资产管理股份有限公司广东省分公司）（其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益）</p>
17.	<p>Loan between 天津凯华奎恩房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>天津凯华奎恩房地产开发有限公司（借款人）和京汉置业集团有限责任公司（贷款人）之间的贷款（转让给中国华融资产管理股份有限公司天津市分公司之后又转让给中国信</p>

	达资产管理股份有限公司广东省分公司) (其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益)
18.	<p>Loan between 重庆中翡岛置业有限公司(Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by the Company dated 17 August 2020)</p> <p>重庆中翡岛置业有限公司 (借款人) 和京汉置业集团有限责任公司 (贷款人) 之间的贷款 (转让给中国华融资产管理股份有限公司天津市分公司之后又转让给中国信达资产管理股份有限公司广东省分公司) (其拥有公司于 2020 年 8 月 17 日提供的受香港法律管辖的担保之利益)</p>

(For the signature page of the Agreement between the Scheme Creditors and the Company on the Deed of Release, there is no text below)

(计划债权人 and 公司就解除契据所达成协议的签字页，无正文)

**Party A (Scheme Creditors): THE SCHEME CREDITORS** acting by **CHINA AOYUAN GROUP LIMITED** (as duly appointed attorney and agent on behalf of and under the authority granted to it by each Scheme Creditor under the terms of the China Aoyuan Schemes) acting by its authorised signatory **(seal)**

甲方（计划债权人）：计划债权人通过中国奥园集团有限公司（作为代表各计划债权人并根据各计划债权人根据中国奥园计划条款授予其的权限而正式委任的受权人和代理人）行事并由其授权签署人代表（盖章）。

Legal representative or authorized representative (signature or seal):

法定代表人或授权代表（签字或盖章）：

Date:

日期：

**Party B (Company): CHINA AOYUAN GROUP LIMITED (seal)**

乙方（公司）：中国奥园集团有限公司（盖章）

Legal representative or authorized representative (signature or seal):

法定代表人或授权代表（签字或盖章）：

Date:

日期：



**Part E**

**BVI LAW DEED OF RELEASE (EXISTING SECURITY)**

**[See over page]**

## BVI Law Deed of Release (Security)

Dated \_\_\_\_\_

**DB TRUSTEES (HONG KONG) LIMITED**

as the Common Collateral Agent

and

**CHINA AOYUAN GROUP LIMITED**

as the Chargor

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## THE SCHEDULES

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**THIS DEED** is dated \_\_\_\_\_ and made between:

- (1) **DB TRUSTEES (HONG KONG) LIMITED**, a company incorporated under the laws of Hong Kong with limited liability having a registered office at Level 60, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong SAR, in its capacity as the Existing Common Collateral Agent (as defined in the China Aoyuan Schemes) (hereinafter referred to as the "**Common Collateral Agent**"); and
- (2) **CHINA AOYUAN GROUP LIMITED**, a company incorporated with limited liability under the laws of the Cayman Islands (hereinafter referred to as the "**Chargor**" or the "**Company**").

## **BACKGROUND**

- (A) Pursuant to the Security Document, the Chargor has granted security interests in the Released Security Assets in order to secure the obligations of the Chargor, among others, under certain Existing Debt Finance Documents.
- (B) On [●], the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) between the Chargor and its Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●], the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").
- (C) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Creditors have authorised, directed, instructed and empowered the Common Collateral Agent (on behalf of each relevant Scheme Creditor) to execute and deliver this Deed in order to facilitate the transactions contemplated by the China Aoyuan Schemes.
- (D) The background and terms of the China Aoyuan Schemes and the Restructuring (as defined in the China Aoyuan Schemes) are described in further detail in the Explanatory Statement dated [●].
- (E) Each Party intends this document to take effect as a deed notwithstanding the fact that a party may only execute this document by hand.

IT IS AGREED as follows:

## **1. INTERPRETATION**

### **1.1 Definitions**

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

In this Deed:

**"Intercreditor Agreement"** means the intercreditor agreement dated 23 November 2012 between, among others, the Common Collateral Agent, the Company and the Chargors as supplemented from time to time prior to the date hereof.

**"Party"** means a party to this Deed.

**"Release Provision"** means the relevant clause in the Security Document relating to the release of the Security Interest under such Security Document, as identified in the last column (*Release Provision*) of Schedule 1 (*Chargor and Security Document*).

**"Released Effective Date"** means the Restructuring Effective Date, provided that each of the steps outlined in clauses 4.3.2(i) to 4.3.2(viii) (inclusive) of the China Aoyuan Schemes has been completed.

**"Released Security Assets"** means all of the assets subject to the Security Interests granted in favour of the Common Collateral Agent pursuant to the Security Document and released pursuant to this Deed.

**"Restructuring Effective Date"** has the meaning given to it in the China Aoyuan Schemes.

**"Security"** means a mortgage, charge, lien, pledge or other security interest or arrangement having a similar effect.

**"Security Document"** means the security agreement governed by the British Virgin Islands law listed in Schedule 1 (*Chargor and Security Document*).

**"Security Interests"** means all or any of the Security created or expressed to be created in favour of the Common Collateral Agent by or pursuant to the Security Document.

## 1.2 Construction

- (i) A reference to any person includes its successors, permitted assigns and permitted transferees.
- (ii) References to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Existing Debt Finance Document or Restructuring Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part).
- (iii) References to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof.

## 2. RELEASE

2.1 In accordance with section 5 (*Distribution of Proceeds and Release*) of the Intercreditor Agreement and the Release Provision, and subject to the provisions herein and the terms of the China Aoyuan Schemes, with effect from the Released Effective Date, the Common Collateral Agent:

- (i) unconditionally and irrevocably releases and discharges the Chargor's property, assets and undertaking from the Security Interests constituted, created, evidenced or conferred by or pursuant to the Security Document;
- (ii) unconditionally and irrevocably releases, discharges, waives, terminates, reassigns and retransfers to the Chargor all its rights, title and interest in the Chargor's property, assets and undertakings, present or future, that were assigned, charged or otherwise provided as Security Interests to the Common Collateral Agent and/or the Existing Public Notes Trustee or Existing Public Noteholders and/or the Existing Syndicated Facilities Agents or Existing Lenders under or pursuant to the Security Document;

- (iii) acknowledges that the power of attorney granted by the Chargor under the Security Document shall be irrevocably and unconditionally revoked and terminated, provided that such revocation and termination shall not affect the validity of any act or thing done by the Common Collateral Agent or any other person pursuant to such power of attorney prior to the Released Effective Date; and
  - (iv) releases and discharges the Chargor from all of its present or future, actual or contingent liabilities and obligations and all claims, actions, suit, accounts and demands arising under any of the Security Document.
- 2.2 With effect from the Released Effective Date, the Released Security Assets shall be held free and discharged from the Security Interests created by or pursuant to, and all claims arising under, the Security Document.
- 2.3 The Common Collateral Agent agrees that the Chargor may, on or after the occurrence of the Released Effective Date, complete or make all such discharges, terminations, notices or other filings of any registrations or filings evidencing the release, discharge, waiver, termination, reassignment and retransfer of any security, guarantee, security rights, interest and benefits and claims pursuant to this Deed.
- 2.4 Each Chargor requests that the Common Collateral Agent shall, and the Common Collateral Agent, by countersigning this Deed, confirms that it will:
  - (i) on the Released Effective Date, deliver all share certificates relating to the Released Security Assets to legal counsel to the Chargors or as a Chargor may direct; and
  - (ii) within five Business Days after the Released Effective Date, deliver all other documents relating to the Released Security Assets (in addition to the requirements under paragraph (i) above), including but not limited to the following documents, to legal counsel to the Chargors or as a Chargor may direct:
    - (a) duly executed instruments of transfer in respect of the Released Security Assets;
    - (b) signed but undated letters of resignation of all the directors and secretary of the relevant Chargor;
    - (c) signed and dated letters of authority and undertaking from all the directors and secretary of the relevant Chargor authorising the Common Collateral Agent to date the letters referred to in paragraph (b) above and undertaking to approve transfer of the Security Interest by or in favour of the Common Collateral Agent and/or its nominee; and
    - (d) signed but undated resolutions of the directors of the relevant Chargor approving the resignation of directors and the appointment of persons nominated by the Common Collateral Agent as directors of such Chargor.

### **3. POWER OF ATTORNEY**

#### **3.1 Appointment**

The Common Collateral Agent irrevocably appoints the Chargor to be its attorney on its behalf and in its name or otherwise for the sole purpose of:

- (i) giving notice of the releases, discharges, waivers, retransfers of title, reassignments and terminations pursuant to this Deed of the Security Interests created by or pursuant to the Security Document to any person to whom notice of any Security Interest created by or pursuant to the Security Document was given; and
- (ii) making any filings and registrations required to be made in order to give effect to this Deed.

### **3.2 Ratification**

The Common Collateral Agent ratifies and confirms, and agrees to ratify and confirm, whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 3.1 (*Appointment*).

## **4. COMMON COLLATERAL AGENT'S RIGHTS**

- 4.1 Notwithstanding the releases referred to in Clause 2 (*Release*) of this Deed, the provisions of the Security Document which provide for rights, powers, discretions, exclusions or limitations of liability, indemnities or other protections, in favour of the Common Collateral Agent shall continue to apply in relation to the actions of the Common Collateral Agent taken (or omitted to be taken) and the performance by the Common Collateral Agent of its role and in relation to the matters contemplated by this Deed.
- 4.2 Notwithstanding any other provision of this Deed, nothing in this Deed is intended to release any person from any confidentiality, indemnification or expense reimbursement provisions contained in the Security Document or any other agreement to which it is a party that are specifically stated to survive the release or termination of the Security Document or such other agreement.

## **5. FURTHER ASSURANCE**

- 5.1 At the request of the Chargor and at the cost and expense of the Chargor, the Common Collateral Agent shall do all such acts and execute all such documents (including reassignments, retransfers, notices or releases) as the Chargor may reasonably specify to give effect to, perfect, record, notify and/or evidence the release and discharge of the Security Interests created by or pursuant to the Security Document in accordance with the provisions of Clause 2 (*Release*).
- 5.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of or in connection with the release of any of the Released Security Assets from the Security Interests created by or pursuant to the Security Document.

## **6. SEVERABILITY**

Each provision contained in this Deed shall be severable and distinct from every other such provision and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

7. **AMENDMENTS AND WAIVERS**

No amendment, variation, rescission or termination of this Deed shall be effective unless such amendment, variation, rescission or termination is agreed to in writing by the Chargor and the Common Collateral Agent.

8. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

9. **GOVERNING LAW AND JURISDICTION**

- 9.1 This Deed and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and construed in accordance with, the laws of the British Virgin Islands.
- 9.2 The courts of the British Virgin Islands shall have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) and for such purpose, each Party hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the British Virgin Islands.

**This Deed has been delivered on the date stated at the beginning of this Deed.**



**SCHEDULE 1**  
**CHARGOR AND SECURITY DOCUMENT**

No.	Chargor	Chargor's jurisdiction of incorporation and company number	Chargor's company type	Charged companies	Description of Security Document	Release Provision
1.	China Aoyuan Group Limited	Cayman Islands Company number 183222	Exempted company incorporated with limited liability	Add Hero Holdings Limited	Share Charge dated 23 November 2012	Clause 15 ( <i>Discharge of Security</i> )

**SIGNATURES**

In witness of which this document has been executed and delivered as a deed on the date stated at its beginning.

**The Common Collateral Agent**

**EXECUTED** as

a **DEED** by

**DB TRUSTEES (HONG KONG) LIMITED**

.....

Authorised Signatory

.....

Authorised Signatory

**The Chargor**

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**CHINA AOYUAN GROUP LIMITED**

acting by its authorised signatory

in the presence of:

Signature of witness:

---

Authorised Signatory

Name:

Title:

---

Name:

Address:

LS

**Part F**

**HONG KONG LAW DEED OF RELEASE (EXISTING SECURITY)**

**[See over page]**

## Hong Kong Law Deed of Release (Security)

Dated \_\_\_\_\_

**DRAGONS 719 LIMITED**

as the USD200m Happy Team Facility Security Agent

and

**THE COMPANIES LISTED IN THE SECOND COLUMN  
(*SECURITY PROVIDERS*) OF SCHEDULE 1**

as the Security Providers

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**THE SCHEDULES**

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**THIS DEED** is dated \_\_\_\_\_ and made between:

- (1) **DRAGONS 719 LIMITED**, an exempted company incorporated under the laws of the Cayman Islands with limited liability with registration number 358076 and registered office at Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands, as security and trustee for the secured parties under the USD200m Happy Team Facility (the "**USD200m Happy Team Facility Security Agent**"); and
- (2) **THE COMPANIES** listed in the second column (*Security Providers*) of Schedule 1 (*Security Documents*) (each as a "**Security Provider**", and collectively the "**Security Providers**").

## **BACKGROUND**

- (A) Pursuant to the Security Documents, each Security Provider has granted security interests in the relevant Released Security Assets owned by it in order to secure the obligations of the Company, among others, under certain Existing Debt Finance Documents.
- (B) On [●] 2023, the Grand Court of the Cayman Islands sanctioned a scheme of arrangement under section 86 of the Cayman Islands Companies Act (2022 Revision) between the Company and its Scheme Creditors (the "**China Aoyuan Cayman Scheme**"). On [●] 2023, the High Court of Hong Kong sanctioned a scheme of arrangement under sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong between the Company and the Scheme Creditors (the "**China Aoyuan HK Scheme**", together with the China Aoyuan Cayman Scheme, the "**China Aoyuan Schemes**").
- (C) Pursuant to and in accordance with the terms of the China Aoyuan Schemes, the Scheme Creditors have authorised, directed, instructed and empowered the USD200m Happy Team Facility Security Agent (on behalf of each relevant Scheme Creditor) to execute and deliver this Deed in order to facilitate the transactions contemplated by the China Aoyuan Schemes.
- (D) Each Party intends this document to take effect as a deed notwithstanding the fact that a party may only execute this document by hand.

IT IS AGREED as follows:

## **1. INTERPRETATION**

### **1.1 Definitions**

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the China Aoyuan Schemes.

In this Deed:

**"Company"** means China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands on 6 March 2007 with company number 183222, and registered office address at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY1-1111, Cayman Islands.

**"Dispute"** has the meaning given to it in Clause 10.1.

**"Party"** means a party to this Deed.

**"Release Provisions"** means the relevant clauses in the Security Documents relating to the release of the Security Interest(s) under such Security Documents, as identified in the fifth column (*Release Provision*) of Schedule 1 (*Security Documents*).

**"Released Effective Date"** means the Restructuring Effective Date, provided that each of the steps outlined in clauses 4.3.2(i) to 4.3.2(viii) (inclusive) of the China Aoyuan Schemes has been completed.

**"Released Security Assets"** means all of the assets subject to the Security Interests granted in favour of the USD200m Happy Team Facility Security Agent pursuant to the Security Documents and released pursuant to this Deed.

**"Restructuring Effective Date"** has the meaning given to it in the China Aoyuan Schemes.

**"Security"** means a mortgage, charge, lien, pledge or other security interest or arrangement having a similar effect.

**"Security Documents"** means the security agreements governed by Hong Kong law listed in Schedule 1 (*Security Documents*).

**"Security Interests"** means all or any of the Security created or expressed to be created in favour of the USD200m Happy Team Facility Security Agent by or pursuant to the Security Documents.

## 1.2 Construction

- (i) A reference to any person includes its successors, permitted assigns and permitted transferees.
- (ii) References to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Existing Debt Finance Document or Restructuring Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part).
- (iii) References to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof.

## 2. RELEASE

2.1 In accordance with the Release Provisions, and subject to the provisions herein and the terms of the China Aoyuan Schemes, with effect from the Released Effective Date, the USD200m Happy Team Facility Security Agent:

- (i) unconditionally and irrevocably releases and discharges each Security Provider's property, assets and undertaking from the Security Interests constituted, created, evidenced or conferred by or pursuant to the Security Documents;
- (ii) unconditionally and irrevocably releases, discharges, waives, terminates, reassigns and retransfers to each Security Provider all its rights, title and interest in such Security Provider's property, assets and undertakings, present or future, that were assigned, charged or otherwise provided as Security Interests to the USD200m Happy Team Facility Security Agent or the secured parties under the USD200m Happy Team Facility under or pursuant to the Security Documents;
- (iii) acknowledges that the power of attorney granted by each Security Provider under the Security Documents shall be irrevocably and unconditionally revoked and terminated, provided that such revocation and termination shall not affect the validity of any act or



thing done by the USD200m Happy Team Facility Security Agent or any other person pursuant to such power of attorney prior to the Released Effective Date; and

- (iv) releases and discharges each Security Provider from all of its present or future, actual or contingent liabilities and obligations and all claims, actions, suit, accounts and demands arising under any of the Security Documents.
- 2.2 With effect from the Released Effective Date, the Released Security Assets shall be held free and discharged from the Security Interests created by or pursuant to, and all claims arising under, the Security Documents.
- 2.3 The USD200m Happy Team Facility Security Agent agrees that each Security Provider may, on or after the occurrence of the Released Effective Date, complete or make all such discharges, terminations, notices or other filings of any registrations or filings evidencing the release, discharge, waiver, termination, reassignment and retransfer of any security, guarantee, security rights, interest and benefits and claims pursuant to this Deed.
- 2.4 Each Security Provider requests that the USD200m Happy Team Facility Security Agent shall, and the USD200m Happy Team Facility Security Agent, by countersigning this Deed, confirms that it will:
- (i) on the Released Effective Date, deliver all share certificates relating to the Released Security Assets to legal counsel to the Security Providers or as a Security Provider may direct; and
  - (ii) within five Business Days after the Released Effective Date, deliver all other documents relating to the Released Security Assets (in addition to the requirements under paragraph (i) above), including but not limited to the following documents, to legal counsel to the Security Providers or as a Security Provider may direct:
    - (a) duly executed and undated instruments of transfer in respect of the Released Security Assets;
    - (b) signed (but undated) letters of resignation of all the directors of the relevant Security Provider;
    - (c) signed (but undated) resolutions of the directors of the relevant Security Provider approving the resignation of directors and the appointment of persons nominated by the USD200m Happy Team Facility Security Agent as directors and secretary of such Security Provider;
    - (d) signed (and dated) letters of authorisations from each director of the relevant Security Provider authorising the USD200m Happy Team Facility Security Agent or any of its offers to complete, date and put into effect the relevant letters of resignation referred to in paragraph (b) above and the relevant resolutions of the directors referred to in paragraph (c) above;
    - (e) signed (but undated) deed of appointment relating to the Released Security Assets;
    - (f) signed and dated letter of instruction to the relevant Security Provider's registered agent;

- (g) signed and dated letter of undertaking from the relevant Security Provider; and
- (h) all other documents relating to the Released Security Assets delivered to the USD200m Happy Team Facility Security Agent in accordance with the Security Documents.

### 3. **POWER OF ATTORNEY**

#### 3.1 **Appointment**

The USD200m Happy Team Facility Security Agent irrevocably appoints each Security Provider to be its attorney on its behalf and in its name or otherwise for the sole purpose of:

- (i) giving notice of the releases, discharges, waivers, retransfers of title, reassignments and terminations pursuant to this Deed of the Security Interests created by or pursuant to the Security Document to any person to whom notice of any Security Interest created by or pursuant to the Security Document was given; and
- (ii) making any filings and registrations required to be made in order to give effect to this Deed.

#### 3.2 **Ratification**

The USD200m Happy Team Facility Security Agent ratifies and confirms, and agrees to ratify and confirm, whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 3.1 (*Appointment*).

### 4. **FURTHER ASSURANCE**

- 4.1 At the request of the Security Providers and at the cost and expense of the relevant Security Providers and the USD200m Happy Team Facility Security Agent shall do all such acts and execute all such documents (including reassignments, retransfers, notices or releases) as the Security Providers may reasonably specify to give effect to, perfect, record, notify and/or evidence the release and discharge of the Security Interests created by or pursuant to the Security Documents in accordance with the provisions of Clause 2 (*Release*).
- 4.2 Each Security Provider shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of or in connection with the release of any of the Released Security Assets from the Security Interests created by or pursuant to the Security Documents.

### 5. **SEVERABILITY**

Each provision contained in this Deed shall be severable and distinct from every other such provision and if, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

6. **THIRD PARTY RIGHTS**

- 6.1 Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623) to enforce or enjoy the benefit of any term of this Deed.
- 6.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

7. **AMENDMENTS AND WAIVERS**

No amendment, variation, rescission or termination of this Deed shall be effective unless such amendment, variation, rescission or termination is agreed to in writing by each Security Provider and the USD200m Happy Team Facility Security Agent.

8. **COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

9. **GOVERNING LAW AND JURISDICTION**

- 9.1 This Deed shall be governed by, and construed in accordance with, Hong Kong law.

10. **ENFORCEMENT**

- 10.1 The courts of Hong Kong shall have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed) (a "**Dispute**").
- 10.2 The Parties agree that the courts of Hong Kong are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

**This Deed has been delivered on the date stated at the beginning of this Deed.**

**SCHEDULE 1**  
**SECURITY PROVIDERS AND SECURITY DOCUMENTS**

No.	Security Providers	Security Provider's jurisdiction of incorporation and company number	Security Provider's company type	Secured Assets	Description of Security Documents	Release Provision
1.	Ever First Consultants Limited	Hong Kong Company number 2710117	Limited liability company	Shares of Happy Team Investments Limited	Borrower share mortgage dated 14 December 2020 entered into between Ever First Consultants Limited (as mortgagor) and Dragons 719 Limited (as security agent) in connection with the USD200m Happy Team Facility	Clause 17 ( <i>Release</i> )

No.	Security Providers	Security Provider's jurisdiction of incorporation and company number	Security Provider's company type	Secured Assets	Description of Security Documents	Release Provision
2.	Happy Team Investments Limited	British Virgin Islands Company number 2047144	Company limited by shares	All undertakings and assets of Happy Team Investments Limited as particularised in clause 2 ( <i>Creation of Security</i> ) in the Borrower Debenture dated 14 December 2020	Borrower Debenture dated 14 December 2020 entered into between Happy Team Investments Limited (as chargor) and Dragons 719 Limited (as security agent) in connection with the USD200m Happy Team Facility	Clause 22 ( <i>Release</i> )

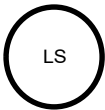
SIGNATURES

The USD200m Happy Team Facility Security Agent

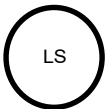
**SIGNED, SEALED AND  
DELIVERED** as a deed by [*name of  
authorised signatory(ies)*], who, in  
accordance with the laws of [*insert  
jurisdiction of incorporation of the  
Dragon 719 Limited*], is(are)  
authorised to execute this Deed on  
behalf of **DRAGONS 719 LIMITED**



[Signature of  
individual]



[Signature of  
individual]



**The Security Provider**

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**EVER FIRST CONSULTANTS LIMITED**

acting by its authorised signatory

in the presence of:

Signature of witness:

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Authorised Signatory

Name:

Title:

---

Name:

Address:



LS

**The Security Provider**

**SIGNED, SEALED and DELIVERED**

**as a DEED** by

**HAPPY TEAM INVESTMENTS LIMITED**

acting by its authorised signatory

in the presence of:

Signature of witness:

---

Authorised Signatory

Name:

Title:

---

Name:

Address:

LS



**APPENDIX 10**  
**FORM OF HOLDING PERIOD TRUST DEED**  
**[See over page]**

## Holding Period Trust Deed

Dated [●] 2023

**Madison Pacific Trust Limited**

as Holding Period Trustee

and

**China Aoyuan Group Limited (中國奧園集團股份有限公司)**

as China Aoyuan

and

**Add Hero Holdings Limited**

as Add Hero

This Deed is made by way of deed on \_\_\_\_\_ 2023 by:

- (1) **MADISON PACIFIC TRUST LIMITED**, with its registered office at 17/F, Far East Financial Centre, No. 16 Harcourt Road, Admiralty, Hong Kong, and registered with the Companies Registry of the Government of the Hong Kong Special Administrative Region under number 1619851, in its capacity as the holding period trustee under this Deed (the "**Holding Period Trustee**"), which expression, where the context so admits, includes all persons for the time being the trustee or trustees of the trusts created by this Deed;
- (2) **CHINA AOYUAN GROUP LIMITED (中國奧園集團股份有限公司)**, an exempted company incorporated under the laws of the Cayman Islands with limited liability having registration number 183222 and with its registered office at Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY1-1111, Cayman Islands, and registered as a Non-Hong Kong Company under Part 16 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) with company number F0015202, whose shares are listed on the HKEX with stock code 3883 ("**China Aoyuan**"); and
- (3) **ADD HERO HOLDINGS LIMITED**, a company incorporated under the laws of the British Virgin Islands with limited liability having company number 678038 and with its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, BVI ("**Add Hero**"),

in favour of

- (4) **THE BENEFICIARIES** (as hereinafter defined).

Whereas:

- (A) On [●] 2023, the Hong Kong Court sanctioned the China Aoyuan HK Scheme entered into between China Aoyuan and the Scheme Creditors. On [●] 2023, the Cayman Court sanctioned the China Aoyuan Cayman Scheme entered into between China Aoyuan and the Scheme Creditors. On [●] 2023, the Hong Kong Court sanctioned the Add Hero HK Scheme entered into between Add Hero and the Scheme Creditors. On [●] 2023, the BVI Court sanctioned the Add Hero BVI Scheme entered into between Add Hero and the Scheme Creditors.
- (B) The China Aoyuan Schemes and the Add Hero Schemes shall effect, among other things and subject to the terms and conditions therein, the full and final compromise and settlement of the Scheme Claims in exchange for each Scheme Creditor receiving its Scheme Consideration Entitlement.
- (C) Under the terms of the China Aoyuan Schemes and the Add Hero Schemes, on the Restructuring Effective Date: (i) each Eligible Scheme Creditor will receive or be otherwise allocated its Scheme Consideration Entitlement (which comprises: (a) in respect of the China Aoyuan Schemes, its Aoyuan New Securities Entitlement, its New Shares Entitlement and its Transfer Shares Entitlement; and (b) in respect of the Add Hero Schemes, its Add Hero Notes Entitlement and its Cash Consideration Entitlement); and (ii) each Ineligible Scheme Creditor's Unadmitted Entitlements will be paid and issued to the Holding Period Trustee, who will hold such Unadmitted Entitlements as part of the Trust Assets held on trust for the benefit of the Beneficiaries in accordance with the terms of this Deed, until the Holding Period Expiry Date.

- (D) The Holding Period Trustee is entering into this Deed in order to create the trust arrangement contemplated in clause 7 (*Holding Period Trustee*) of the China Aoyuan Schemes and the Add Hero Schemes.
- (E) The background and terms of the China Aoyuan Schemes and the Add Hero Schemes and the Restructuring are described in further detail in the Explanatory Statements.

## 1 Definitions and interpretation

### 1.1 Definitions

Capitalised terms used in this Deed that are not otherwise defined shall have the meanings given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023 subject to any amendments or modifications made by the Cayman Court and/or HK Court (the "**China Aoyuan Explanatory Statement**"), or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023 subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Add Hero Explanatory Statement**", and together with the China Aoyuan Explanatory Statement, the "**Explanatory Statements**").

In this Deed:

**"Add Hero BVI Scheme"** means the scheme of arrangement to be effected between Add Hero and the Scheme Creditors pursuant to Section 179A of the BVI Business Companies Act 2004 for the purposes of implementing the Restructuring;

**"Add Hero HK Scheme"** means the scheme of arrangement to be effected between Add Hero and the Scheme Creditors pursuant to Sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong for the purposes of implementing the Restructuring;

**"Add Hero Schemes"** means the Add Hero HK Scheme and the Add Hero BVI Scheme;

**"Allocation Instruction"** means an instruction letter substantially in the form set out in Schedule 1 (*Form of Allocation Instruction*) to this Deed;

**"Beneficiary"** means:

- (i) each Ineligible Scheme Creditor who has not previously received or been otherwise allocated the Scheme Consideration Entitlement to which such Ineligible Scheme Creditor would have been entitled in respect of its Scheme Claims pursuant to the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable) and RSA Fees (Aoyuan New Notes) (if applicable) on the Restructuring Effective Date, if it were an Eligible Scheme Creditor; and
- (ii) each of such Ineligible Scheme Creditor's transferees to the extent recognised as transferees under clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable),

and **"Beneficiaries"** shall be construed accordingly;

**"Blocked Scheme Creditor Tabulation Agent"** means Madison Pacific Corporate Services Limited, in its capacity as tabulation agent in respect of the Holding Period Blocked Scheme Creditor Form(s);

**"Blocked Scheme Creditors Allocation Instruction"** means an instruction letter substantially in the form set out in Schedule 2 (*Form of Blocked Scheme Creditors Allocation Instruction*) to this Deed;

**"China Aoyuan Cayman Scheme"** means the scheme of arrangement between China Aoyuan and the Scheme Creditors proposed to be made under section 86 of the Cayman Islands Companies Act (2023 Revision) for the purposes of implementing the Restructuring;

**"China Aoyuan HK Scheme"** means the scheme of arrangement to be effected between China Aoyuan and the Scheme Creditors pursuant to Sections 670, 673 and 674 of the Companies Ordinance (Cap. 622) of Hong Kong for the purposes of implementing the Restructuring;

**"China Aoyuan Schemes"** means the China Aoyuan HK Scheme and the China Aoyuan Cayman Scheme;

**"Dispute"** has the meaning given to that term in Clause 11.4.1;

**"Eligible Beneficiaries"** has the meaning given to that term in Clause 2.3.1;

**"Eligible Blocked Beneficiary"** has the meaning given to that term in Clause 2.4.1;

**"Eligible Scheme Creditor"** means:

- (i) a Scheme Creditor (who is not a Sanctions-Affected Scheme Creditor) (or its Designated Recipient, as applicable) who has submitted (itself or through its Account Holder, as applicable):
  - (a) in the case of the Existing Noteholder, its validly completed Account Holder Letter and Distribution Confirmation Deed; and
  - (b) in the case of the Existing Lender, its validly completed Lender Proxy Form and Distribution Confirmation Deed,

and in each case, if applicable, a validly completed Designated Recipient Form (and such other information as is required by the Information Agent to be submitted as set out in the Solicitation Packet) to the Information Agent at the Scheme Portal by the Voting Instruction Deadline and otherwise met the requirements referenced at clause 5.3 of the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable) such that it is eligible to receive its Scheme Consideration Entitlement on the Restructuring Effective Date; or

- (ii) a Blocked Scheme Creditor who has submitted a validly completed Blocked Scheme Creditor Form (and such other information as required by the Blocked Scheme Creditor Tabulation Agent to be submitted as set out in the Solicitation Packet) to the Blocked Scheme Creditor Tabulation Agent by the Voting Instruction Deadline and otherwise met the requirements referenced at clause 5.4 of the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable) such that it is eligible to be allocated its Scheme Consideration Entitlement on the Restructuring Effective Date, which is to be held in accordance with the terms of the Escrow Agreement;

**"Existing Lender"** means: (a) in respect of China Aoyuan, an Existing Lender as defined in the China Aoyuan Explanatory Statement; and (b) in respect of Add Hero, an Existing Lender as defined in the Add Hero Explanatory Statement;

**"Existing Noteholder"** means: (a) in respect of China Aoyuan, an Existing Noteholder as defined in the China Aoyuan Explanatory Statement; and (b) in respect of Add Hero, an Existing Public Noteholder as defined in the Add Hero Explanatory Statement;

**"Holding Period Account Holder Letter"** means a letter from an Account Holder on behalf of the relevant Beneficiary (itself being an Ineligible Existing Noteholder) substantially in the form of:

- (a) in respect of the Existing Public Notes, the holding period account holder letter appended as Schedule 3 (*Holding Period Account Holder Letter (Existing Public Notes)*) to this Deed, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal; or
- (b) in respect of the Existing Private Notes, the holding period account holder letter appended as Schedule 4 (*Holding Period Account Holder Letter (Existing Private Notes)*) to this Deed, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal;

**"Holding Period Blocked Scheme Creditor Form"** means a form from a Blocked Scheme Creditor substantially in the form of, as the context requires:

- (a) in respect of the Existing Public Notes, the holding period blocked scheme creditor form appended as Schedule 7 (*Holding Period Blocked Scheme Creditor Form (Existing Public Notes)*) to this Deed, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Transaction Website; or
- (b) in respect of the Existing Private Notes, the holding period blocked scheme creditor form appended as Schedule 8 (*Holding Period Blocked Scheme Creditor Form (Existing Private Notes)*) to this Deed, as submitted to the Blocked Scheme Creditor Tabulation Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Transaction Website;

**"Holding Period Lender Proxy Form"** means a form from the relevant Beneficiary (who is an Ineligible Existing Lender) substantially in the form of, as the context requires:

- (a) in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, the holding period lender proxy form appended as Schedule 5 (*Holding Period Lender Proxy Form (Existing Syndicated Facilities and USD100m Noble Prestige Facility)*) to this Deed, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal; or
- (b) in respect of the Existing Loans (other than the Existing Syndicated Facilities and the USD100m Noble Prestige Facility), the holding period lender proxy form appended as Schedule 6 (*Holding Period Lender Proxy Form (Other Non-ICA Debt)*) to this Deed, as submitted to the Information Agent after the Voting Instruction Deadline and prior to the Bar Time, including (for the avoidance of doubt) the digital form capturing the same information available on the Scheme Portal;

**"Holding Period Trust"** has the meaning given to that term in Clause 2.2.2;

**"Holding Period Trustee"** has the meaning given to that term in the preamble of this Deed;

**"Ineligible Creditor Share"** means, in relation to any Beneficiary, such proportion of the Trust Assets that is equivalent to: (a) in respect of the China Aoyuan Schemes, the Aoyuan New Securities Entitlement, the Aoyuan Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) of the relevant Ineligible Scheme Creditor, excluding any Aoyuan New Securities Entitlement, any Transfer Shares Entitlement and any RSA Fees (Aoyuan New Notes) (if applicable) for which it has already submitted the relevant documents under the China Aoyuan Schemes as an Eligible Scheme Creditor; and (b) in respect of the Add Hero Schemes, the Add Hero Notes Entitlement of the relevant Ineligible Scheme Creditor, excluding any Add Hero Notes Entitlement for which it has already submitted the relevant documents under the Add Hero Schemes as an Eligible Scheme Creditor;

**"Ineligible Existing Lender"** means an Existing Lender (who is not a Sanctioned Scheme Creditor) who is not an Eligible Scheme Creditor in respect of any portion of its Scheme Consideration Entitlement;

**"Ineligible Existing Noteholder"** means an Existing Noteholder (who is not a Sanctioned Scheme Creditor) who is not an Eligible Scheme Creditor in respect of any portion of its Scheme Consideration Entitlement;

**"Ineligible Scheme Creditors"** means, collectively, the Ineligible Existing Noteholders and the Ineligible Existing Lenders;

**"Information Agent"** means Morrow Sodali Limited, who is acting as information agent for China Aoyuan and Add Hero in connection with the China Aoyuan Schemes and the Add Hero Schemes;

**"Legal Reservations"** means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency;
- (b) reorganisation and other laws generally affecting the rights of creditors;
- (c) the time barring of claims under applicable limitation laws or the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defences of set-off or counterclaim;
- (d) that any provision requiring a party to indemnify a person in relation to legal costs may not necessarily be enforced by a court;
- (e) that any additional interest or payment of compensation imposed in circumstances of breach or default under any relevant agreement may be held to be unenforceable on the grounds that it is a penalty; and
- (f) similar principles, rights and defences under the laws of any relevant jurisdiction;

**"Trust Assets"** means the Unadmitted Entitlements as well as any dividends, interest, repayments and/or prepayments, or redemptions (pursuant to (a) in respect of the China Aoyuan Schemes, the terms of the Aoyuan New Securities Documents, the Transfer Shares and RSA Fees (Aoyuan New Notes) (if applicable); and (b) in respect of the Add Hero Schemes, the terms of the Add Hero Notes Documents) paid to the Holding Period Trustee in respect of the Unadmitted Entitlements prior to the Holding Period Expiry Date;

**"Unadmitted Entitlements"** means:

- (a) with respect to a Beneficiary who is not a Blocked Scheme Creditor, such Beneficiary's Aoyuan New Securities Entitlement, Transfer Shares Entitlement and RSA Fees (Aoyuan New Notes) (if applicable) (with respect to the China Aoyuan Schemes) and the Add Hero Notes Entitlement (with respect to the Add Hero Schemes); and
- (b) with respect to a Beneficiary who is a Blocked Scheme Creditor, such Beneficiary's Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement (with respect to the China Aoyuan Schemes) and Blocked Add Hero Notes Entitlement (with respect to the Add Hero Schemes).

## **1.2 Construction**

In this Deed, except where the context otherwise requires:

- 1.2.1 a reference to any person includes its successors, permitted assigns and permitted transferees;
- 1.2.2 references to any deed (including this Deed), agreement, negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any Restructuring Document), and references to any document (or a provision thereof) shall be construed as references to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part);
- 1.2.3 references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof; and
- 1.2.4 references to a document being "validly completed" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System).

## **1.3 Third party rights**

This Deed is for the benefit of the Beneficiaries and the Beneficiaries shall be able to enforce the terms of this Deed. Any Beneficiary may rely on any clause of this Deed which expressly confers rights on it.

## **1.4 Conflict**

This Deed is expressly intended to supplement the obligations set out in the China Aoyuan Schemes and the Add Hero Schemes. To the extent that there is any conflict or inconsistency between the provisions of this Deed, the provisions of the China Aoyuan Schemes and the provisions of the Add Hero Schemes, the provisions of the China Aoyuan Schemes and the Add Hero Schemes (as applicable) shall prevail.



## **2 Holding Period Trust**

### **2.1 Holding Period Trustee as trustee**

The Holding Period Trustee hereby acknowledges receipt of the Trust Assets conveyed, transferred and assigned to it by China Aoyuan and Add Hero (as applicable) and consents to the terms of this Deed.

### **2.2 Declaration of trust**

**2.2.1** China Aoyuan and Add Hero hereby appoint the Holding Period Trustee as the bare trustee of the Trust Assets.

**2.2.2** Contemporaneously with the time at which the Holding Period Trustee receives any Trust Assets, the Holding Period Trustee hereby admits, acknowledges and declares, and only to the extent permitted under the Applicable Sanctions, that, as it receives (and has legal but not beneficial ownership of) the Trust Assets, it shall hold the Trust Assets on bare trust for the benefit of the relevant Beneficiaries in accordance with the terms of this Deed, such that each Beneficiary has a beneficial entitlement to its Ineligible Creditor Share of the Trust Assets until such Trust Assets are distributed in accordance with the terms of this Deed or such interest ceases in accordance with Clauses 2.3 (*Distributions to Eligible Beneficiaries*), 2.4 (*Distributions to Eligible Blocked Beneficiaries*) and 2.5 (*Treatment of unclaimed Trust Assets following the Holding Period Expiry Date*) hereof (such bare trust, the "**Holding Period Trust**").

**2.2.3** The Holding Period Trustee shall not at any time whatsoever have any economic or beneficial interest in the Trust Assets held by it pursuant to this Deed and, save as expressly set out in this Deed or in respect of the trusts created by this Deed, shall not permit any other person other than itself to have any interest, estate, right, title or benefit in the Trust Assets, subject to the terms of this Deed.

**2.2.4** The Holding Period Trustee undertakes in favour of each Beneficiary that:

- (i) it shall deal with any Trust Assets pursuant to the terms of this Deed; and
- (ii) it shall not, and shall not purport to:
  - (a) create or permit to subsist any security interest whatsoever (unless arising by operation of law) upon any of the assets comprised in the Holding Period Trust;
  - (b) save as expressly set out in this Deed or as required (and to the extent necessary) to perform its obligations as trustee of the trusts constituted by this Deed, sell, transfer or otherwise dispose of, or deal with, any Trust Assets;
  - (c) save as expressly set out in this Deed or as required (and to the extent necessary) to perform its obligations as trustee of the trusts constituted by this Deed, deal with or exercise any rights in respect of any Trust Assets; or
  - (d) save as expressly set out in this Deed or in respect of the trusts created by this Deed, permit any person other than itself to have any interest, estate, right, title or benefit in any Trust Assets; and

- (iii) it will, and will procure that any of its agents will, act honestly and in good faith and will exercise the diligence expected of a prudent trustee or expert, as applicable, in the fulfilment and/or exercise of their respective duties and obligations under and in relation to this Deed.

## **2.3 Distributions to Eligible Beneficiaries**

### **2.3.1 Request for distribution of Ineligible Creditor Share**

A Beneficiary may request the transfer of its Ineligible Creditor Share to it, provided that on or prior to the Bar Time:

- (i) it is not or no longer a Blocked Scheme Creditor;
- (ii) it has established to the reasonable satisfaction of China Aoyuan or Add Hero (as applicable), in consultation with the Information Agent that it: (i) held an economic or beneficial interest as principal in the Existing Debt at the Record Date; and/or (ii) is a recognised transferee of the Existing Debt in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable);
- (iii) it (or its Account Holder, as applicable) has submitted its (a) Custody Instruction via the Clearing System by the Holding Period Custody Instruction Deadline and (b) validly completed Holding Period Account Holder Letter or Holding Period Lender Proxy Form (alongside a validly completed Designated Recipient Form (as applicable), to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>);
- (iv) it (or its Designated Recipient, as applicable) is an Eligible Person and it (or its Account Holder, as applicable) has submitted a validly completed Distribution Confirmation Deed to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>); and
- (v) it has supplied, or procured the supply of, all documentation and other evidence as may be reasonably requested by the Information Agent or any relevant bank in order for the Holding Period Trustee or the bank to comply with all necessary "know your customer" or other similar checks that it is required to comply with in order to make the distributions to such Beneficiary under the terms of this Deed,

(with such a Beneficiary who has satisfied the aforesaid requirements being an **"Eligible Beneficiary"**), and the Holding Period Trustee shall transfer such Eligible Beneficiary's Ineligible Creditor Share to the relevant account in the Clearing Systems designated by that Eligible Beneficiary (or its Designated Recipient, as applicable) in its Holding Period Account Holder Letter or Holding Period Lender Proxy Form in accordance with the Allocation Instruction delivered to the Holding Period Trustee by China Aoyuan or Add Hero (as applicable) and the Blocked Scheme Creditors Allocation Instruction delivered to the Holding Period Trustee by China Aoyuan or Add Hero (as applicable) .

### **2.3.2 Allocation Instruction**

- (i) China Aoyuan and Add Hero (as applicable) (in consultation with the Information Agent and/or the Scheme Administrators) shall take all

reasonable steps to issue Allocation Instruction(s) to the Holding Period Trustee on or around the same date the New Share Entitlement, RSA Fees (Cash Component) and Cash Consideration Entitlement is issued or paid to the relevant Scheme Creditors in accordance with Clause 4.4 of the China Aoyuan Schemes and Clause 4.4 of the Add Hero Schemes respectively, provided always that the Allocation Instruction is issued on a date falling no less than five Business Days prior to the Holding Period Expiry Date. Each Allocation Instruction shall include sufficient details that will allow the Holding Period Trustee to be able to transfer, or procure the transfer of, the Ineligible Creditor Share of all Eligible Beneficiaries on or before the Holding Period Expiry Date in satisfaction of its obligation under Clause 2.3.1.

- (ii) Following receipt of the Allocation Instruction, the Holding Period Trustee shall promptly transfer, or procure the transfer of, the Ineligible Creditor Share of all Eligible Beneficiaries in accordance with the Allocation Instruction, thereby satisfying its obligation under Clause 2.3.1. The failure of any Beneficiary to complete any applicable "know your customer" or other similar check of the Holding Period Trustee or the relevant bank shall not prejudice any distribution to any other Beneficiary.
- (iii) In the event that an Allocation Instruction is issued in respect of any cash payments or distributions made in respect of the Aoyuan New Securities, the Transfer Shares or the Add Hero Notes (as applicable), the Holding Period Trustee has no obligation to transfer such cash payments or distributions by the Holding Period Expiry Date in accordance with Clause 2.3.1 if the amount of cash in the account holding the Trust Assets is not sufficient to make such transfer, distribution or other dealing.

## **2.4 Distributions to Eligible Blocked Beneficiaries**

### **2.4.1 Request for allocation of Ineligible Creditor Share**

A Beneficiary (who is a Blocked Scheme Creditor) may, prior to the Bar Time, request for the allocation of its Ineligible Creditor Share with such assets to be held in accordance with the terms of the Escrow Agreement, provided that on or prior to the Bar Time:

- (i) it has established to the reasonable satisfaction of the Blocked Scheme Creditor Tabulation Agent (acting on the instructions of and in consultation with China Aoyuan or Add Hero (as applicable) and the Scheme Administrators) that it: (i) held an economic or beneficial interest as principal in the Existing Debt at the Record Date; and/or (ii) is a recognised transferee of the Existing Debt in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable);
- (ii) it has submitted a validly completed Holding Period Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent together with such other information as is required by the Blocked Scheme Creditor Tabulation Agent to be submitted; and
- (iii) it has supplied, or procured the supply of, all documentation and other evidence as may be reasonably requested by China Aoyuan, Add Hero or

the Blocked Scheme Creditor Tabulation Agent in order for the Holding Period Trustee, the Escrow Agent or the relevant bank to comply with all necessary "know your customer" or other similar checks that it is required to comply with in order to make the allocations to such Blocked Scheme Creditor under the terms of this Deed,

(with such a Beneficiary who has satisfied the aforesaid requirements being an **"Eligible Blocked Beneficiary"**), and the Holding Period Trustee shall transfer such Eligible Blocked Beneficiary's Ineligible Creditor Share to the Escrow Agent to be held in accordance with the terms of the Escrow Agreement on the Holding Period Expiry Date.

#### **2.4.2 Blocked Scheme Creditors Allocation Instruction**

- (i) China Aoyuan and Add Hero (as applicable) (in consultation with the Blocked Scheme Creditor Tabulation Agent and/or the Scheme Administrators) shall take all reasonable steps to, on a date falling no less than five Business Days prior to the Holding Period Expiry Date, issue a Blocked Scheme Creditors Allocation Instruction to the Holding Period Trustee. The Blocked Scheme Creditors Allocation Instruction shall include sufficient details that will allow the Holding Period Trustee to be able to transfer, or procure the transfer of, the Ineligible Creditor Share of all Eligible Blocked Beneficiaries on or before the Holding Period Expiry Date in satisfaction of its obligation under Clause 2.4.1.
- (ii) Following receipt of the Blocked Scheme Creditors Allocation Instruction, the Holding Period Trustee shall promptly transfer, or procure the transfer of, the Ineligible Creditor Share of all Eligible Blocked Beneficiaries in accordance with the Blocked Scheme Creditors Allocation Instruction, thereby satisfying its obligation under Clause 2.4.1. The failure of any Beneficiary to complete any applicable "know your customer" or other similar check of the Holding Period Trustee or the relevant bank shall not prejudice any distribution to any other Beneficiary.
- (iii) In the event that a Blocked Scheme Creditors Allocation Instruction is issued in respect of any cash payments or distributions made in respect of the Aoyuan New Securities, the Transfer Shares or the Add Hero Notes (as applicable), the Holding Period Trustee has no obligation to transfer such cash payments or distributions by the Holding Period Expiry Date in accordance with Clause 2.4.1 if the amount of cash in the account holding the Trust Assets is not sufficient to make such transfer, distribution or other dealing. For the avoidance of doubt, the Holding Period Trustee is not responsible for checking or monitoring the status (including, but not limited to, the Applicable Sanctions) of the Blocked Scheme Creditor, and shall be entitled to rely upon the instructions provided by the Blocked Scheme Creditor Tabulation Agent, China Aoyuan or Add Hero.

### **2.5 Treatment of unclaimed Trust Assets following the Holding Period Expiry Date**

- 2.5.1** In the event that any Beneficiary does not satisfy any of the conditions set out in Clause 2.3.1 or Clause 2.4.1 prior to the Bar Time, such Beneficiary's rights under the China Aoyuan Schemes and/or the Add Hero Schemes (as applicable) shall be

extinguished and such Beneficiary shall cease to hold any interest (beneficial or otherwise) in the Trust Assets on and from the Holding Period Expiry Date.

**2.5.2** The Holding Period Trustee shall, as soon as reasonably practicable after the Holding Period Expiry Date, transfer all interest in any remaining Trust Assets held by the Holding Period Trustee to the following persons:

- (i) in the case of the Aoyuan New Securities, to China Aoyuan;
- (ii) in the case of the Add Hero Notes, to Add Hero; and
- (iii) in the case of the Transfer Shares, to China Aoyuan or to any person nominated by China Aoyuan,

in each case, at China Aoyuan's or Add Hero's cost (as applicable), and the relevant Beneficiaries shall have no entitlement to such remaining Trust Assets or any rights or claims against China Aoyuan, Add Hero, the Holding Period Trustee or any other person in respect thereto.

**2.5.3** To the extent that any such remaining Trust Assets transferred to China Aoyuan comprise of Aoyuan New Securities, such Aoyuan New Securities shall thereafter be immediately delivered to the Aoyuan New Notes Paying Agent, the Aoyuan MCB Paying Agent or the Aoyuan Perpetuals Paying Agent (as applicable) for cancellation in accordance with section 2.07 (*Cancellation of Notes; Disposition Thereof*) of the Aoyuan New Notes Indenture, condition 8(F) (*Cancellation*) of the Aoyuan MCB Terms and Conditions and condition 6(F) (*Cancellation*) of the Aoyuan Perpetuals Terms and Conditions.

**2.5.4** To the extent that any such remaining Trust Assets transferred to Add Hero comprise the Add Hero Notes, such Add Hero Notes shall thereafter be immediately delivered to the Add Hero Notes Paying Agent for cancellation in accordance with section 2.07 (*Cancellation of Notes; Disposition Thereof*) of the Add Hero Notes Indentures.

## **2.6 Fractional entitlements**

**2.6.1** Subject in each case to a minimum denomination of USD1,000, if the principal amount of Aoyuan New Securities to be delivered to, or on behalf of, an Eligible Beneficiary as part of its Aoyuan New Securities Entitlement resulting from any calculation made in accordance with the China Aoyuan Schemes and this Deed is not an integral multiple of USD1, that amount shall be rounded down to the nearest integral multiple of USD1 (in excess of USD1,000). All entitlements to the Aoyuan New Securities under the China Aoyuan Schemes and this Deed which would have arisen but for this Clause 2.6.1 shall be disregarded and no cash adjustment or other consideration will be payable by China Aoyuan as a result of the rounding down described in the preceding sentence to the relevant Beneficiary.

**2.6.2** The Transfer Shares Entitlement of an Eligible Beneficiary shall be rounded to the nearest integer. All entitlements to the Transfer Shares Entitlements under the China Aoyuan Schemes and this Deed which would have arisen, but for this Clause 2.6.2, shall be disregarded and no cash or other consideration will be due in respect of any such entitlements.

**2.6.3** Subject in each case to a minimum denomination of USD1,000, if the principal amount of the Add Hero Notes to be delivered to, or on behalf of, an Eligible Beneficiary as part of its Add Hero Notes Entitlement resulting from any calculation

made in accordance with the Add Hero Schemes and this Deed is not an integral multiple of USD1, that amount shall be rounded down to the nearest integral multiple of USD1 (in excess of USD1,000). All entitlements to the Add Hero Notes under the Add Hero Schemes and this Deed which would have arisen but for this Clause 2.6.3 shall be disregarded and no cash adjustment or other consideration will be payable by Add Hero as a result of the rounding down described in the preceding sentence to the relevant Beneficiary.

## **2.7 Winding up of Holding Period Trust**

If the Holding Period Trustee determines that all of the Trust Assets have been distributed to the relevant Beneficiaries and/or transferred to China Aoyuan or Add Hero (as applicable) in accordance with this Deed, then the Holding Period Trust shall be automatically deemed to be wound up.

## **2.8 Blocked Scheme Creditors**

If, following the date of this Deed, a Scheme Creditor who was not previously a Blocked Scheme Creditor becomes a Blocked Scheme Creditor prior to the Holding Period Expiry Date, the Holding Period Trustee shall be entitled to treat such Scheme Creditor as a Blocked Scheme Creditor.

## **2.9 Representations and warranties**

The Holding Period Trustee represents and warrants to the Beneficiaries as follows:

- 2.9.1** it is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation;
- 2.9.2** its memorandum and articles of association give it power and all necessary corporate or other authorities have been obtained and all necessary action taken, for it and, if applicable, the duly authorised attorney acting on its behalf, to enter into this Deed and the transactions contemplated hereby;
- 2.9.3** subject to the Legal Reservations, this Deed constitutes its valid, legal, binding and enforceable obligations; and
- 2.9.4** neither the signing and the delivery of this Deed nor the performance of any of the transactions contemplated hereby does or will contravene or constitute a default under or cause to be exceeded any limitation in its powers or any law or regulation by which it or any of its assets is bound or affected or its memorandum and articles of association.

## **3 Reliance and duties of the Holding Period Trustee**

### **3.1 Instructions**

- 3.1.1** The Holding Period Trustee hereby agrees in favour of the Beneficiaries that it shall deal with the Trust Assets only as contemplated by this Deed, each Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable) and/or each Blocked Scheme Creditor Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable). The Holding Period Trustee's duties under this Deed are solely mechanical and administrative in nature and the Holding Period Trustee may promptly request clarification of any instruction or obligation placed upon it pursuant

to this Deed from China Aoyuan as issuer of the Aoyuan New Securities and Transfer Shares, Add Hero as the Issuer of the Add Hero Notes or any Beneficiary (as applicable) as to whether, and in what manner, the Holding Period Trustee should act or refrain from acting (and shall not be liable). The Holding Period Trustee may refrain from acting unless it receives any such instructions or clarification that it has requested.

- 3.1.2** Wherever any provision of this Deed refers to the Holding Period Trustee agreeing or consenting to any request, agreement or action, or where any reference is made to any action being taken at the direction of the Holding Period Trustee (only in accordance with each Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable) and/or each Blocked Scheme Creditor Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable)), such references shall be deemed to refer to the Holding Period Trustee agreeing, consenting or acting, as applicable, on, or pursuant to, the instructions of the Beneficiaries acting together. The Holding Period Trustee shall, unless instructed or directed otherwise, act (or refrain from acting) having regard to the interests of the Beneficiaries in accordance with its fiduciary duty as a bare trustee of the Holding Period Trust. For the avoidance of doubt, the Holding Period Trustee, when acting on the Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable) and/or Blocked Scheme Creditor Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable), shall be deemed to be acting or refrain from acting having regard to the interests of the Beneficiaries in accordance with its fiduciary duty as a bare trustee of the Holding Period Trust.
- 3.1.3** The Holding Period Trustee shall only act in accordance with the Allocation Instruction and: (i) has no discretion in the making or withholding of any distribution to a Beneficiary; and (ii) is entitled to rely upon (a) each Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable) and/or each Blocked Scheme Creditor Allocation Instruction delivered to it by China Aoyuan or Add Hero (as applicable); (b) each Holding Period Account Holder Letter or Holding Period Lender Proxy Form delivered to the Information Agent; and (c) all other information provided to it by the Information Agent without the need for further investigation or enquiry, and shall have no liability to any person for acting on the basis of such information.
- 3.1.4** The Beneficiaries, China Aoyuan and Add Hero shall promptly make available to the Holding Period Trustee such information and records and provide such assistance as the Holding Period Trustee may request for the purposes of performing its functions as the Holding Period Trustee under this Deed.

## **3.2 Rights attaching to the Trust Assets**

The Holding Period Trustee shall not, and shall not be entitled to, exercise any voting rights, any put option rights, any conversion rights or any other rights conferred by or under or arising out of the Trust Assets or any instrument constituting the Trust Assets (including, but not limited to, the Aoyuan New Notes Indenture, the Aoyuan MCB Trust Deed, the Aoyuan Perpetuals Fiscal Agency Agreement, the Transfer Shares and the Add Hero Notes Indentures) held in the Holding Period Trust.

### **3.3 Duties of the Holding Period Trustee**

- 3.3.1** The Holding Period Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.
- 3.3.2** The Holding Period Trustee shall have only those duties, obligations and responsibilities expressly specified in this Deed, the China Aoyuan Schemes and the Add Hero Schemes (and no others shall be implied).

### **3.4 Rights and information**

The Holding Period Trustee may:

- 3.4.1** rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and received by it in the course of performing its obligations under this Deed (including, for the avoidance of doubt, an Allocation Instruction); and
- 3.4.2** rely on a certificate from any person (including, for the avoidance of doubt, an Allocation Instruction):
- (i) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
  - (ii) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of Clause 3.4.2, may assume the truth and accuracy of that certificate.

### **3.5 Advice**

The Holding Period Trustee may act and rely on the opinion, advice or services of, or information obtained from, any lawyer, accountant, tax advisers, surveyors or other professional advisers or experts and shall not be responsible to anyone for any damage, costs or loss occasioned by so acting or relying, whether such advice is obtained or addressed to a member of the China Aoyuan Group or the Holding Period Trustee. Any such opinion, advice or information may be sent or obtained by letter, fax or any other method and the Holding Period Trustee shall not be liable to anyone for acting in good faith on any opinion, advice, or information purporting to be conveyed by such means, even if it contains some error or is not authentic.

### **3.6 Agent**

The Holding Period Trustee may act in relation to this Deed, the China Aoyuan Schemes, the Add Hero Schemes and the Trust Assets through its officers, employees and agents and shall not:

- 3.6.1** be liable for any error of judgement made by any such person; or
- 3.6.2** be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of, any such person,

unless such error or such loss was directly caused by the Holding Period Trustee's gross negligence, wilful misconduct or fraud.



## **4 Confidentiality**

- 4.1.1 Notwithstanding any other provision of the China Aoyuan Schemes, the Add Hero Schemes, the Explanatory Statements or this Deed, the Holding Period Trustee is not obliged to disclose to any other person: (i) any confidential information; or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.
- 4.1.2 Unless this Deed expressly specifies otherwise, the Holding Period Trustee may not disclose to any other party any information it has received as trustee under this Deed.
- 4.1.3 Notwithstanding any other provision of this Deed, the Holding Period Trustee is authorised to disclose information concerning the Holding Period Trust and the Trust Assets to its subsidiaries and affiliates and other providers of services as may be necessary in connection with its performance of this Deed (including, but not limited to, lawyers and accountants for the Holding Period Trustee), or to the extent ordered to do so by a court of competent jurisdiction, and may disclose to third parties that it is providing the services contemplated by this Deed.

## **5 Action contrary to any law**

Notwithstanding any other provision of this Deed, the China Aoyuan Schemes or the Add Hero Schemes to the contrary, the Holding Period Trustee is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of:

- 5.1.1 any law or regulation or a breach of a fiduciary duty or duty of confidentiality; or
- 5.1.2 internal policies regarding anti-money laundering checks, and the Holding Period Trustee may do anything which is, in its reasonable opinion, necessary to comply with any such law, regulation, directive or internal policies regarding anti-money laundering checks.

## **6 No responsibility to spend own funds**

Notwithstanding any provision of any Restructuring Document, this Deed, the China Aoyuan Schemes or the Add Hero Schemes to the contrary, the Holding Period Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion. Subject to the terms of the engagement letter entered into between China Aoyuan, Add Hero and the Holding Period Trustee, China Aoyuan and Add Hero agree to be responsible for and shall pay all fees, costs and expenses properly incurred by the Holding Period Trustee in connection with any and/or all actions taken or which shall be taken pursuant to this Deed, the China Aoyuan Schemes or the Add Hero Schemes.

## **7 Liability**

### **7.1 Exclusion of Liability**

Without limiting Clause 7.2 (*Proceedings*) (and without prejudice to any other provision of the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements excluding or limiting the liability of the Holding Period Trustee), the Holding Period Trustee (both in its capacity as the Holding Period Trustee and as legal holder of the Trust Assets) will not be liable for:

- 7.1.1 any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with this Deed, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, unless directly caused by its gross negligence, wilful misconduct or fraud;
- 7.1.2 exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, this Deed, the China Aoyuan Schemes, the Add Hero Schemes or any other deed, arrangement or document entered into, made or executed in anticipation of, under or in connection with the China Aoyuan Schemes or the Add Hero Schemes, unless directly caused by its gross negligence, wilful misconduct or fraud; and/or
- 7.1.3 without prejudice to the generality of Clauses 7.1.1 and 7.1.2, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:
- (i) any act, event or circumstance not reasonably within its control; or
  - (ii) the general risks of investment in, or the holding of assets in, any jurisdiction, including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

## **7.2 Proceedings**

No party (other than the Holding Period Trustee) may take any proceedings against any officer, employee or agent of the Holding Period Trustee in respect of any claim it might have against the Holding Period Trustee, or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Deed, the China Aoyuan Schemes or the Add Hero Schemes.

## **7.3 Limitation**

Without prejudice to any provision of this Deed, the China Aoyuan Schemes or the Add Hero Schemes excluding or limiting the liability of the Holding Period Trustee arising under or in connection with this Deed, the China Aoyuan Schemes or the Add Hero Schemes, the liability of the Holding Period Trustee shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered, but without reference to any special conditions or circumstances known to the Holding Period Trustee, unless such loss or damage was directly caused by the Holding Period Trustee's gross negligence, wilful misconduct or fraud. To the extent permitted by any applicable law, in no event shall the Holding Period Trustee be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Holding Period Trustee has been advised of the possibility of such loss or damages.

## **8 Resignation of the Holding Period Trustee**

- 8.1** The Holding Period Trustee may resign at any time by giving 10 Business Days' prior written notice to China Aoyuan and Add Hero. China Aoyuan and Add Hero (as applicable) must promptly notify the Beneficiaries of any such resignation. If any Holding Period Trustee gives notice of retirement at the time when it is the sole Holding Period Trustee, that Holding Period Trustee shall, as soon as reasonably practicable, appoint another suitably qualified person as its successor.
- 8.2** The Holding Period Trustee's resignation notice shall only take effect upon:
- 8.2.1** the appointment of a successor who agrees to be bound by the terms of the China Aoyuan Schemes, the Add Hero Schemes and this Deed; and
  - 8.2.2** the transfer of all the Trust Assets to that successor.
- 8.3** China Aoyuan and Add Hero (as applicable) must promptly notify the Beneficiaries of the appointment of a successor once effective.
- 8.4** The retiring Holding Period Trustee shall make available to the successor Holding Period Trustee such documents and records and provide such assistance as the successor Holding Period Trustee may reasonably request for the purposes of performing its functions as Holding Period Trustee under the China Aoyuan Schemes, the Add Hero Schemes or this Deed.
- 8.5** Upon the appointment of a successor, the retiring Holding Period Trustee shall be discharged from any further obligation (other than its obligation under Clause 8.4) but shall remain entitled to the benefit under Clause 7 (*Liability*) of this Deed and clause 12 (*Releases and waivers*) and clause 13 (*Exclusion of liability and indemnity*) of the China Aoyuan Schemes and the Add Hero Schemes. Its successor shall have the same rights and obligations as it would have had if such successor had been an original party to this Deed.

## **9 Miscellaneous provisions**

### **9.1 Custodians and nominees**

The Holding Period Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Holding Period Trustee may determine, including, for the purpose of depositing with a custodian this Deed, any Trust Assets or any document relating to the trust created under this Deed. Provided the Holding Period Trustee exercises reasonable care in selecting any custodian or nominee appointed under this Clause 9.1 to the extent permitted by any applicable law, the Holding Period Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of such custodian or nominee appointed by it under this Clause 9.1.

### **9.2 Delegation by the Holding Period Trustee**

- 9.2.1** Whenever it considers it expedient in the interests of the Beneficiaries, the Holding Period Trustee may, in the conduct of its trust business under this Deed and using reasonable care in such delegation, delegate by power of attorney or otherwise to

any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such.

- 9.2.2** Subject to the Holding Period Trustee exercising reasonable care in such delegation, that delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Holding Period Trustee (as the case may be) may, in its discretion, consider expedient in the interests of the Beneficiaries.
- 9.2.3** Provided the Holding Period Trustee exercises reasonable care in selecting any delegate or sub-delegate appointed under this Clause 9.2, to the extent permitted by any applicable law, the Holding Period Trustee shall not be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of any such delegate or sub-delegate appointed under this Clause 9.2.

### **9.3 Additional Holding Period Trustees**

- 9.3.1** The Holding Period Trustee may at any time appoint (and subsequently remove) any suitably qualified person to act as an additional co-trustee jointly with it, subject to such a trustee agreeing to be bound by the terms of this Deed, the China Aoyuan Schemes and the Add Hero Schemes:

- (i) if it considers that appointment to be in the interests of the Beneficiaries;
- (ii) for the purposes of conforming to any legal requirement, restriction or condition applicable to the Holding Period Trustee in a jurisdiction in which a particular act is to be performed; or
- (iii) for obtaining or enforcing any judgment or any provision of this Deed in any jurisdiction,

and the Holding Period Trustee shall give prior notice to China Aoyuan, Add Hero and the Beneficiaries of that appointment.

- 9.3.2** Any co-trustee so appointed shall have the rights, powers, authorities and discretions (not exceeding those given to the Holding Period Trustee under or in connection with this Deed, the China Aoyuan Schemes and the Add Hero Schemes) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- 9.3.3** The Holding Period Trustee may remove any person appointed as an additional Holding Period Trustee, by written notice to China Aoyuan, Add Hero, the Beneficiaries and that person.
- 9.3.4** If there are more than two Holding Period Trustees, the majority of them acting together will be competent to perform the Holding Period Trustee's functions.

### **9.4 Acceptance of title**

The Holding Period Trustee shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Beneficiary may have to any of the Trust Assets and shall not be liable for, or bound to require any person to remedy, any defect in its right or title.

## **10 Notices**

### **10.1 Communications in writing**

Each communication to be made under or in connection with this Deed shall be made in English and in writing and, unless otherwise stated, shall be duly given if it is delivered by hand, email, prepaid recorded delivery or international courier to the address or email address set out below.

### **10.2 Addresses**

The addresses and emails (and the department or officer, if any, for whose attention the communication is to be made) for any communication or document to be made or delivered under or in connection with this Deed are:

#### **10.2.1 in the case of the Holding Period Trustee:**

##### **Madison Pacific Trust Limited**

Address: 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong

Email: [agent@madisonpac.com](mailto:agent@madisonpac.com)

Attention: Ms. Cassandra Ho

With a copy to the Information Agent:

##### **Morrow Sodali Limited**

Address: 103 Wigmore Street, London W1U 1QS, United Kingdom / 29/F, No. 28 Stanley Street, Central, Hong Kong

Email: <mailto:aoyuan@investor.morrowsodali.com>

Attention: Global Debt Services Team

#### **10.2.2 in the case of China Aoyuan:**

Address: Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong

Email: [ir@aoyuan.net](mailto:ir@aoyuan.net)

Attention: Chen Zhi Bin / David Wan / Emma Qi

#### **10.2.3 in the case of Add Hero:**

Address: Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong

Email: [ir@aoyuan.net](mailto:ir@aoyuan.net)

Attention: Chen Zhi Bin / David Wan / Emma Qi

#### **10.2.4 in the case of the Information Agent:**

##### **Morrow Sodali Limited**

Address: 103 Wigmore Street, London W1U 1QS, United Kingdom / 29/F, No. 28 Stanley Street, Central, Hong Kong

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Attention: Global Debt Services Team

**10.2.5** in the case of the Blocked Scheme Creditor Tabulation Agent:

**Madison Pacific Corporate Services Limited**

Address: 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Attention: Ms. Cassandra Ho

or any substitute address, email or department or officer as the Holding Period Trustee, China Aoyuan or Add Hero (as applicable) may notify to the other party from time to time.

### **10.3 Delivery**

**10.3.1** Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

- (i) at the time of delivery if delivered personally;
- (ii) at the time of transmission if sent by email;
- (iii) two Business Days after the time and date of posting if sent by pre paid recorded delivery; or
- (iv) three Business Days after the time and date of posting if sent by international courier.

**10.3.2** The accidental omission to send any notice, written communication or other document in accordance with Clause 10.1 (*Communications in writing*) or 10.2 (*Addresses*), or the non-receipt of any such notice by any party, shall not affect the provisions of this Deed.

**10.3.3** In proving service, it shall be sufficient proof, in the case of a notice sent by post, that the envelope was properly stamped, addressed and placed in the post.

**10.3.4** Any communication or document to be made or delivered to the Holding Period Trustee will be effective only when actually received by the Holding Period Trustee and then only if it is expressly marked for the attention of the department or officer identified in Clause 10.2 (*Addresses*) (or any substitute department or officer as the Holding Period Trustee shall specify for this purpose).

## **11 Miscellaneous**

### **11.1 Counterparts**

This Deed may be executed in any number of counterparts, each of which when executed shall constitute a duplicate original and all of which shall constitute one and the same instrument as if the signatures on the counterparts were on a single copy of this Deed.

## **11.2 Disapplication of Trustee Acts**

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Holding Period Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.

## **11.3 Governing law**

This Deed and any non-contractual obligations arising out of, or in connection with, it shall be governed by and construed in accordance with English law.

## **11.4 Jurisdiction**

**11.4.1** The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

**11.4.2** The parties hereto agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, no party will argue to the contrary.

In witness of which this document has been executed and delivered as a deed on the date stated at its beginning.

Executed and delivered as a deed by  
**MADISON PACIFIC TRUST LIMITED**  
acting by its authorised signatory

.....

Name:

Title:

in the presence of:

Signature of witness

.....

Name:

Occupation:

Address:



Executed and delivered as a deed by **CHINA  
AOYUAN GROUP LIMITED** (中國奧園集團股份  
有限公司)

acting by its authorised signatory

.....

Name:

Title:

in the presence of:

Signature of witness

.....

Name:

Occupation:

Address:

Executed and delivered as a deed by **ADD**  
**HERO HOLDINGS LIMITED**  
acting by its authorised signatory

.....

Name:  
Title:

in the presence of:

Signature of witness

.....

Name:  
Occupation:  
Address:

## SCHEDULE 1

### FORM OF ALLOCATION INSTRUCTION

From: [China Aoyuan Group Limited (中國奧園集團股份有限公司) / Add Hero Holdings Limited]  
Address: Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong

To: Madison Pacific Trust Limited (the "**Holding Period Trustee**")  
Address: 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong  
Email: [agent@madisonpac.com](mailto:agent@madisonpac.com)  
Attention: Ms. Cassandra Ho  
Date: \_\_\_\_\_

Dear Sirs,

1. We refer to the holding period trust deed dated \_\_\_\_\_ 2023, entered into by, amongst others, the Holding Period Trustee (the "**Holding Period Trust Deed**"). Terms defined in the Holding Period Trust Deed have the same meaning in this notice.
2. This is an Allocation Instruction.
3. You are hereby instructed, pursuant to Clause 2.3.2 (*Allocation Instruction*) of the Holding Period Trust Deed, to make the transfers specified in the Annex as soon as practicable upon receipt of this Allocation Instruction and no later than the Holding Period Expiry Date.
4. This Allocation Instruction and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

Yours faithfully,

**[China Aoyuan Group Limited (中國奧園集團股份有限公司) / Add Hero Holdings Limited]**

\_\_\_\_\_  
Name:

Title:

## Annex

### Ineligible Creditor Share

#### Aoyuan New Securities:

Trade Type: [Free of Payment Delivery]

Trade Date: [●]

Value Date: [●]

Details: Euroclear

Euroclear Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

Clearstream:

Clearstream Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

**Note:** Aoyuan New Securities to be rounded down to the nearest USD1.

#### Transfer Shares:

Trade Type: [Free of Payment Delivery]

Trade Date: [●]

Value Date: [●]

Details: Euroclear

Euroclear Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

Clearstream:

Clearstream Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

**Note:** Transfer Shares to be rounded to the nearest integer.

**Add Hero Notes:**

Trade Type: [Free of Payment Delivery]

Trade Date: [●]

Value Date: [●]

Details: Euroclear

Euroclear Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

Clearstream:

Clearstream Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

**Note:** Add Hero Notes to be rounded down to the nearest USD1.

## SCHEDULE 2

### FORM OF BLOCKED SCHEME CREDITORS ALLOCATION INSTRUCTION

From: [China Aoyuan Group Limited (中國奧園集團股份有限公司) / Add Hero Holdings Limited]  
Address: Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong

To: Madison Pacific Trust Limited (the "**Holding Period Trustee**")  
Address: 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong  
Email: [agent@madisonpac.com](mailto:agent@madisonpac.com)  
Attention: Ms. Cassandra Ho

Date: \_\_\_\_\_

Dear Sirs,

1. We refer to the holding period trust deed dated \_\_\_\_\_ 2023, entered into by, amongst others, the Holding Period Trustee (the "**Holding Period Trust Deed**"). Terms defined in the Holding Period Trust Deed have the same meaning in this notice.
2. This is a Blocked Scheme Creditors Allocation Instruction.
3. You are hereby instructed, pursuant to Clause 2.4.2 (*Blocked Scheme Creditors Allocation Instruction*) of the Holding Period Trust Deed, to make the transfers specified in the Annex as soon as practicable upon receipt of this Allocation Instruction and no later than the Holding Period Expiry Date.
4. This Blocked Scheme Creditors Allocation Instruction and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

Yours faithfully,

**[China Aoyuan Group Limited (中國奧園集團股份有限公司) / Add Hero Holdings Limited]**

\_\_\_\_\_  
Name:

Title:

## Annex

### Ineligible Creditor Share

#### Aoyuan New Securities:

Trade Type: [Free of Payment Delivery]

Trade Date: [•]

Value Date: [•]

Details: Euroclear

Euroclear Securities Account Number: [•]

Description	ISIN / Common Code	Amount
[•]	[•]	[•]

Clearstream:

Clearstream Securities Account Number: [•]

Description	ISIN / Common Code	Amount
[•]	[•]	[•]

**Note:** Aoyuan New Securities to be rounded down to the nearest USD1.

#### Transfer Shares:

Trade Type: [Free of Payment Delivery]

Trade Date: [•]

Value Date: [•]

Details: Euroclear

Euroclear Securities Account Number: [•]

Description	ISIN / Common Code	Amount
[•]	[•]	[•]

Clearstream:

Clearstream Securities Account Number: [•]

Description	ISIN / Common Code	Amount
[•]	[•]	[•]

**Note:** Transfer Shares to be rounded to the nearest integer.

**Add Hero Notes:**

Trade Type: [Free of Payment Delivery]

Trade Date: [●]

Value Date: [●]

Details: Euroclear

Euroclear Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

Clearstream:

Clearstream Securities Account Number: [●]

Description	ISIN / Common Code	Amount
[●]	[●]	[●]

**Note:** Add Hero Notes to be rounded down to the nearest USD1.



### SCHEDULE 3

#### HOLDING PERIOD ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)<sup>1</sup>

For use by Account Holders in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>1</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

This Account Holder Letter is **only** to be completed by Existing Public Noteholders (or by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder). If an Existing Public Noteholder is not an Account Holder, it must ensure that it submits elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Bar Time in order for the Existing Public Noteholder to establish its entitlement to its share of the Scheme Consideration Entitlement. If you are not sure whether you are an Account Holder or an Existing Public Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, "**Beneficiary**" has the meaning given to it in the Holding Period Trust Deed and references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Public Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Public Notes and/or the owner of the ultimate economic interest in any of the Existing Public Notes, who are not Sanctions-Affected Scheme Creditors.

Beneficiaries, who are Existing Public Noteholders, must use this Account Holder Letter (by instructing their Account Holder if the Existing Public Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Public Notes; and (b) allow them to receive their share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the relevant New Shares and Cash Consideration in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes respectively. A summary of this Account Holder Letter is set out below.

## Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Bar Time in order for an Existing Public Noteholder to receive its share of (i) the relevant Trust Assets pursuant to the Holding Period Trust Deed and (ii) the relevant New Shares and Cash Consideration in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes respectively.

If an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its share of the relevant Trust Assets, New Shares and Cash Consideration by submitting a Designated Recipient Form in accordance with the terms of the Holding Period Trust Deed, the China Aoyuan Schemes and/or the Add Hero Schemes. Any Designated Recipient appointed by an Existing Public Noteholder must hold its account with the same Account Holder as that Existing Public Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes; and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If a Beneficiary (who is an Existing Public Noteholder) fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Beneficiary's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Beneficiary shall not be entitled to receive any Scheme Consideration Entitlement or

otherwise under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

### **Submission of Custody Instructions**

Any Existing Public Noteholder that procures the submission of an Account Holder Letter by the Bar Time to establish its entitlement to its share of the Scheme Consideration Entitlement (i.e. relevant Trust Assets, New Shares and Cash Consideration) must first ensure that its Account Holder, **prior to delivering the Account Holder Letter to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>)**, submits a Custody Instruction prior to the Holding Period Custody Instruction Deadline and includes in the Account Holder Letter reference to the relevant Custody Instruction Reference Number. An Account Holder Letter that does not contain reference to a valid Custody Instruction Reference Number will not be valid for the purpose of receiving any Scheme Consideration Entitlement in accordance with the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes. China Aoyuan and Add Hero each reserves the right to reject any such Account Holder Letter.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Public Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim (in respect of the Existing Public Notes) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) and the Holding Period Trust Deed at Appendix 10 (*Form of Holding Period Trust Deed*) to each Explanatory Statement before you complete this Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts

on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submissions): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING NOTEHOLDER, ACCOUNT HOLDER AND PUBLIC HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Public Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Public Noteholder	
Section 2	Account Holder Details	
Section 3	Details of Holdings	
Section 4	Account Holder Confirmations	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>Only if the Existing Public Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Public Noteholder (if applicable)</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Existing Public Noteholder in order for the Existing Public Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments and Add Hero Securities Form	

## PART 1

### EXISTING PUBLIC NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

An Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Public Noteholder will not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and/or the Add Hero Schemes.

#### **Section 1** Details of the Existing Public Noteholder

Please identify the Existing Public Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Public Notes, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Public Noteholders:**

Type of Existing Public Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Public Noteholder: \_\_\_\_\_

Is the Existing Public Noteholder an Eligible Person<sup>2</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Public Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Public Noteholder: \_\_\_\_\_

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<sup>2</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>3</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>3</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Public Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Public Noteholder. Account Holders are not Existing Public Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Public Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.



### **Section 3      Details of Holdings**

The Account Holder holds the following Existing Public Notes to which this Account Holder Letter relates at the Record Date. A Custody Instruction has been delivered to the relevant Clearing System prior to the Holding Period Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount at Clearing System<sup>4</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>5</sup></b>
XS1611005957				
XS2282587505				
XS1937690128				
XS2264537684				
XS2378476951				
XS1952585112				
XS2014471432				
XS2196807833				
XS2351242461				
XS2258822233				
XS2233109409				
XS2307633565				

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<sup>4</sup> The amount entered should be the entire principal amount of Existing Public Notes (as at the Record Date) in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Public Noteholder pursuant to this Account Holder Letter. Existing Public Notes which the relevant Existing Public Noteholder acquires after the Record Date may only be included in the above table if the relevant Existing Public Noteholder is a recognised transferee in respect of such Existing Public Notes in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes and the Add Hero Schemes. If the Account Holder holds Existing Public Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>5</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Public Noteholder.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Public Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Public Noteholder: (i) holds the Existing Public Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; and (ii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that China Aoyuan or Add Hero (as applicable) shall be entitled to treat such Existing Public Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the Scheme Consideration Entitlement in respect of such holding of Existing Public Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Public Noteholder receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes and both of the Add Hero Schemes:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Public Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Holding Period Trustee and/or the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Public Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, Add Hero Notes, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder:

\_\_\_\_\_

Date:

\_\_\_\_\_

## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)

### **DESIGNATED RECIPIENT FORM (if applicable)<sup>6</sup>**

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable), the Existing Public Noteholder must be an Eligible Person or the Existing Public Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Public Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Public Noteholder who is an Eligible Person is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Public Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Public Noteholder. An Existing Public Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Public \_\_\_\_\_  
Noteholder:

The Existing Public Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

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<sup>6</sup> It is not mandatory for an Existing Public Noteholder to have the Designated Recipient Form completed. An Existing Public Noteholder should only have it completed if such an Existing Public Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Public Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which was used when the Existing Public Notes were instructed since Aoyuan New Securities, Transfer Shares and Add Hero Notes can only be provided to accounts which provided instructions via the Custody Instruction Reference Number. A third party Euroclear or Clearstream account cannot be used.**

The **Existing Public Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to China Aoyuan, Add Hero, the Holding Period Trustee and the Information Agent that, in relation to the Existing Public Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PUBLIC NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Public Noteholder that wishes to receive its share of the relevant Trust Assets, New Shares Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable) in accordance with the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Bar Time.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.

## **2. Confirmations, warranties and undertakings**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
  - (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Public Noteholder and, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Public Notes Trustee that with effect from the Restructuring Effective Date:
  - (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Public Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Public Notes Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Public Notes Indentures are each governed by New York law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Public Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## **3. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes

to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.

- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Account Holder on behalf of the Existing Public Noteholder irrevocably directs: (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

#### **4. Distribution of the New Shares**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Public Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Public Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **5. Distribution of the Cash Consideration**

- (a) The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Public Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Public Noteholder (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Public Noteholder (or its Designated Recipient) by transferring the same to the cash account linked to the securities account in the Clearing Systems designated by the Existing Public Noteholder (or its Designated Recipient) in its validly completed Account Holder Letter or Designated Recipient Form (as applicable).

#### **6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Public Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of



venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Holding Period Trustee, the Information Agent, the Existing Public Notes Trustee, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Public Noteholder has appointed a Designated Recipient, the Existing Public Noteholder will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Public Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) it authorises the Clearing Systems to provide details concerning its identity, the Existing Public Notes which are the subject of the Account Holder Letter and its applicable account details to China Aoyuan, Add Hero, the Existing Public Notes Trustee and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (e) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Trustee, the Advisers, the Holding Period Trustee or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Public Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Holding Period Trustee, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
  - (f) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;

- (g) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;
  - (h) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (i) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the relevant scheme sanction hearings;
  - (j) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Public Notes Trustee, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (k) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Holding Period Trustee, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor

for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE**

**SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;

- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan

Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and the Add Hero Securities.



## Sanctions law confirmations and undertakings

2. The Existing Public Noteholder or, if the Existing Public Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Holding Period Trustee, the Information Agent, the Existing Public Notes Trustee, the Existing Public Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a "person connected with Russia", or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended) ("**Applicable Sanctions**")), nor is the Existing Public Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Public Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Public Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Public Noteholder or any of its Subsidiaries is:

- (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Public Noteholder expressly acknowledges and confirms that the Existing Public Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Public Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

(a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;

(b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and the Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and

(c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or

(d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Public Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Public Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.

The Existing Public Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Public Noteholder or on behalf of the Existing Public Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Public Noteholder; or (ii) act as Account Holder on behalf of the Existing Public Noteholder or Designated Recipient (please tick only one, as applicable):

- ☐ Existing Public Noteholder
- ☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

#### SCHEDULE 4

#### HOLDING PERIOD ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)<sup>7</sup>

For use by Account Holders in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

This Account Holder Letter is **only** to be completed by Existing Private Noteholders (or by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder). If an Existing Private Noteholder is not an Account Holder, it must ensure that it submits its elections to its Account Holder to enable its Account Holder to complete the Account Holder Letter. This Account Holder Letter (once validly completed) needs to be submitted to the Information Agent before the Bar Time in order for the Existing Private Noteholder to establish its entitlement to its share of the Scheme Consideration Entitlement. If you are not sure whether you are an Account Holder or an Existing Private Noteholder, you should contact the Information Agent using the contact details provided in the Explanatory Statement.

Capitalised terms used but not defined in this Account Holder Letter have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, "**Beneficiary**" has the meaning given to it in the Holding Period Trust Deed and references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required

<sup>7</sup> A sample Account Holder Letter will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Account Holders and Scheme Creditors must note that paper Account Holder Letters are circulated as a sample only and will not be accepted by the Information Agent. Only Account Holder Letters submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.

procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Account Holder Letter, references to "**Scheme Creditors**" or "**Existing Private Noteholders**" shall mean the Scheme Creditors or any Person who is the beneficial owner of the Existing Private Notes and/or the owner of the ultimate economic interest in any of the Existing Private Notes who are not Sanctions-Affected Scheme Creditors.

Beneficiaries, who are Existing Private Noteholders, must use this Account Holder Letter (by instructing their Account Holder if the Existing Private Noteholder is not an Account Holder) to: (a) register details of their interest in the Existing Private Notes; and (b) allow them to receive their share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the relevant New Shares in accordance with the terms of the China Aoyuan Schemes. A summary of this Account Holder Letter is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being 30 September 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Account Holder Letter must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrrowsodali.com/aoyuanScheme>) by the Bar Time in order for an Existing Private Noteholder to receive its share of: (i) the relevant Trust Assets pursuant to the Holding Period Trust Deed; and (ii) the relevant New Shares in accordance with the terms of the China Aoyuan Schemes.

If an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its share of the relevant Trust Assets, New Shares and Cash Consideration by submitting a Designated Recipient Form in accordance with the terms of the Holding Period Trust Deed and China Aoyuan Schemes. Any Designated Recipient appointed by an Existing Private Noteholder must hold its account with the same Account Holder as that Existing Private Noteholder.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If a Beneficiary (who is an Existing Private Noteholder) fails to establish its entitlement to its share of the relevant Trust Assets in

accordance with the terms of the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Beneficiary's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Beneficiary shall not be entitled to receive any Scheme Consideration Entitlement or otherwise under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### **Online Account Holder Letter Form**

It is highly recommended that the completed Account Holder Letter be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Account Holder Letter are not required and should not be sent to the Information Agent.

A separate Account Holder Letter, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed by each separate beneficial holder in respect of their beneficial interest in the Existing Private Notes.

**You may only submit one Account Holder Letter in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Account Holder Letter for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) and the Holding Period Trust Deed at Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement before you complete the Account Holder Letter. The Solicitation Packet contains detailed information on the various options contained in this Account Holder Letter.**

This Account Holder Letter and any non-contractual obligations arising out of or in relation to this Account Holder Letter shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Account Holder Letter. By submission of the Account Holder Letter to the Information Agent via the Scheme Portal, the Existing Private Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

### **FOR ASSISTANCE CONTACT**

#### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>  
Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>



## SUMMARY OF THIS ACCOUNT HOLDER LETTER

The Account Holder Letter must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<u>PART 1</u>	EXISTING NOTEHOLDER, HOLDER AND DETAILS	PRIVATE ACCOUNT HOLDINGS	<i>This Part 1 must be completed in all cases by the Account Holder for and on behalf of the Existing Private Noteholder and signed by the Account Holder</i>
Section 1	Details of the Existing Private Noteholder		
Section 2	Account Holder Details		
Section 3	Details of Holdings		
Section 4	Account Holder Confirmations		
<u>APPENDIX 1</u>	DESIGNATED FORM	RECIPIENT	<i>Only if the Existing Private Noteholder would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Account Holder for and on behalf of such Existing Private Noteholder (if applicable)</i>
<u>APPENDIX 2</u>	DISTRIBUTION CONFIRMATION DEED		
Annex A	General confirmations, acknowledgements, warranties and undertakings		<i>This Appendix 2 must be completed in all cases by the Account Holder for and on behalf of the Existing Private Noteholder in order for the Existing Private Noteholder (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex B	Securities law confirmations, sanctions law confirmations and undertakings		
Annex C	Aoyuan Instruments Form		

## PART 1

### EXISTING PRIVATE NOTEHOLDER, ACCOUNT HOLDER AND HOLDINGS DETAILS

An Account Holder Letter submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Account Holder Letter and the relevant Existing Private Noteholder will not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust and the China Aoyuan Schemes.

#### **Section 1** Details of the Existing Private Noteholder

Please identify the Existing Private Noteholder (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Private Notes, held in global form and/or the restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Account Holder Letter.

#### **To be completed for all Existing Private Noteholders:**

Type of Existing Private Noteholder (select one): PHYSICAL PERSON / ORGANISATION

Full name of Existing Private Noteholder: \_\_\_\_\_

Is the Existing Private Noteholder an Eligible Person<sup>8</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Existing Private Noteholder is an institution/corporation:**

Jurisdiction of incorporation of Existing Private Noteholder: \_\_\_\_\_

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<sup>8</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Account Holder<sup>9</sup> Details**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one):      EUROCLEAR / CLEARSTREAM

Clearing System participant account number \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

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<sup>9</sup> You are an Account Holder if you are recorded directly in the books or other records maintained by the Clearing Systems as holding an interest at the Record Date in the Existing Private Notes Global Notes. An Account Holder is commonly a bank or a brokerage house which does have an account with either of the Clearing Systems. An Account Holder may also be an Existing Private Noteholder. Account Holders are not Existing Private Noteholders unless and to the extent that an Account Holder has the ultimate economic interest, whether as principal or beneficiary or otherwise, in the Existing Private Notes held in global form through the relevant Clearing System as at the Record Date and has a right to the issue of definitive notes.

### **Section 3      Details of Holdings**

The Account Holder holds the following Existing Private Notes to which this Account Holder Letter relates at the Record Date. A Custody Instruction has been delivered to the relevant Clearing System prior to the Holding Period Custody Instruction Deadline, the reference number in relation to which is identified below.

<b>ISIN</b>	<b>Amount      at Clearing      System<sup>10</sup></b>	<b>Clearing System (Euroclear/ Clearstream)</b>	<b>Clearing System participant account number</b>	<b>Custody Instruction Reference Number<sup>11</sup></b>
<b><i>Existing Private Notes</i></b>				
XS2190931365				
XS2372877469				
XS2265803283				
XS2282540025				

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<sup>10</sup> The amount entered should be the entire principal amount of Existing Private Notes (as at the Record Date) in respect of which the Account Holder is giving instructions on behalf of the relevant Existing Private Noteholder pursuant to this Account Holder Letter. Existing Private Notes which the relevant Existing Private Noteholder acquires after the Record Date may only be included in the above table if the relevant Existing Private Noteholder is a recognised transferee in respect of such Existing Private Notes in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes. If the Account Holder holds Existing Private Notes in respect of which it is not giving instructions pursuant to this Account Holder Letter, this amount should not be stated and is not required to be notified.

<sup>11</sup> Corresponding to the Custody Instruction in Euroclear / Clearstream submitted by the Account Holder on behalf of the Existing Private Noteholder.

#### **Section 4      Account Holder Confirmations**

By signing this Part 1, the Account Holder confirms that it has been instructed by the Existing Private Noteholder in respect of which this Account Holder Letter is being submitted to certify that such Existing Private Noteholder: (i) holds the Existing Private Notes detailed in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter as at the date of such Account Holder Letter; and (iii) in respect of any distribution of Scheme Consideration Entitlement, acknowledges and agrees that the Company shall be entitled to treat such Existing Private Noteholder (or, if applicable, its Designated Recipient) as the party entitled to receive the relevant Trust Assets and the New Shares in respect of such holding of Existing Private Notes.

**Before returning this Account Holder Letter, please make certain that you have provided all the information requested.**

For the purposes of an Existing Private Noteholder receiving its Scheme Consideration Entitlement under both of the China Aoyuan Schemes:

- a relevant Custody Instruction (as applicable) must have been delivered in respect of the Existing Private Notes identified in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter;
- the Holding Period Trustee and/or the Information Agent will accept this Account Holder Letter only if (as applicable) a valid Custody Instruction Reference Number is included in Section 3 (*Details of Holdings*) of this Part 1 of this Account Holder Letter in respect of the Existing Private Notes which are the subject of this Account Holder Letter;
- information in this Account Holder Letter must be consistent with the Custody Instruction; and
- in respect of any distribution of Aoyuan Instruments, the Distribution Confirmation Deed and, if applicable, the Designated Recipient Form must be validly completed.

#### **SIGNING:**

Account Holder's authorised  
employee / representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 1 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>12</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable), the Existing Private Noteholder must be an Eligible Person or the Existing Private Noteholder must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Private Noteholder.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter. An Existing Private Noteholder, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Private Noteholder, the Account Holder and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: The Designated Recipient must hold an account with the same Account Holder (with the same Clearing System account number) in either Euroclear or Clearstream as the designating Existing Private Noteholder. An Existing Private Noteholder may not appoint more than one Designated Recipient.**

Full name of Existing Private Noteholder: \_\_\_\_\_

The Existing Private Noteholder hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

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<sup>12</sup> It is not mandatory for an Existing Private Noteholder to have the Designated Recipient Form completed. An Existing Private Noteholder should only have it completed if such an Existing Private Noteholder is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Private Noteholder intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement.

Telephone number (with country  
code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and  
China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise  
attributable to it.

**A Designated Recipient must use/have the same Euroclear or Clearstream account which  
was used when the Existing Private Notes were instructed since Aoyuan New Securities and  
Transfer Shares can only be provided to accounts which provided instructions via the  
Custody Instruction Reference Number. A third party Euroclear or Clearstream account  
cannot be used.**

The **Existing Private Noteholder** and any **Account Holder** (each a "**Relevant Person**") named below for itself hereby confirms to the Company, the Holding Period Trustee and the Information Agent that, in relation to the Existing Private Notes that are the subject of the Account Holder Letter, the Relevant Person has authority to identify the Designated Recipient in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Account Holder Letter:

☐ Yes

☐ No

**SIGNING:**

Account Holder's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
Account Holder:

\_\_\_\_\_

Date:

\_\_\_\_\_



## **APPENDIX 2 TO THE ACCOUNT HOLDER LETTER (EXISTING PRIVATE NOTES)**

### **DISTRIBUTION CONFIRMATION DEED**

Any Existing Private Noteholder that wishes to receive its share of the relevant Trust Assets, New Shares Entitlement and RSA Fees (if applicable) in accordance with the Holding Period Trust Deed and the China Aoyuan Schemes must ensure that this Distribution Confirmation Deed is validly completed on its behalf (or on behalf of its Designated Recipient) by the Account Holder in the affirmative and submitted by its Account Holder, together with a validly completed Account Holder Letter (and, if applicable, a Designated Recipient Form), to the Information Agent by the Bar Time.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.

## 2. Confirmations, warranties and undertakings

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
  - (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Existing Private Noteholder and, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Private Notes Fiscal Agent that with effect from the Restructuring Effective Date:
  - (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Private Notes, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Existing Private Notes Instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Private Noteholder shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Distribution of the Aoyuan New Securities and Transfer Shares

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Notes that are the subject of the applicable Account Holder Letter that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Account Holder on behalf of the Existing

Private Noteholder irrevocably directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Account Holder Letter, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

**4. Distribution of the New Shares**

- (a) The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Private Notes that are the subject of the applicable Account Holder Letter that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Private Noteholder (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Existing Private Noteholder (or its Designated Recipient) in scrip form and the relevant Existing Private Noteholder (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

**5. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Private Noteholder irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Private Notes Fiscal Agent, the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Account Holder Letter and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Private Noteholder has appointed a Designated Recipient, the Existing Private Noteholder will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Existing Private Noteholder is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) it authorises the Clearing Systems to provide details concerning its identity, the Existing Private Notes which are the subject of the Account Holder Letter and its applicable account details to the Company, the Existing Private Notes Fiscal Agent and the Information Agent and their respective legal and financial advisers at the time the Account Holder Letter is submitted;
  - (e) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Private Notes Fiscal Agent, the Advisers, the Holding Period Trustee or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Private Notes Administrative Parties, the Advisers, the Aoyuan New Securities Administrative Parties, the Holding Period Trustee, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
  - (f) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (g) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Account Holder Letter and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the

information in the Account Holder Letter and this Deed is true, complete and accurate as at the date of this Deed;

- (h) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (i) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (j) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Private Notes Fiscal Agent, the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (k) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;



- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;

- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Existing Private Noteholder or, if the Existing Private Noteholder has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Private Notes Fiscal Agent, the Existing Private Notes Common Depositary, the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a "person connected with Russia", or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Private Noteholder or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Private Noteholder, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Private Noteholder, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Private Noteholder or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such

funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Account Holder on behalf of the Existing Private Noteholder expressly acknowledges and confirms that the Existing Private Noteholder intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Account Holder on behalf of the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Account Holder on behalf of the Existing Private Noteholder (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

(a) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;

(b) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and

(c) in the case of ticking the IAI Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion, for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or

(d) in the case of ticking the Regulation S Aoyuan Instruments box, the Existing Private Noteholder (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Private Noteholder that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Existing Private Noteholder and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this

Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

**Account Holder (where it is an Existing Private Noteholder or on behalf of the Existing Private Noteholder or Designated Recipient)**

We: (i) are an Account Holder and an Existing Private Noteholder; or (ii) act as Account Holder on behalf of the Existing Private Noteholder or Designated Recipient (please tick only one, as applicable):

☐ Existing Private Noteholder

☐ Designated Recipient

Account Holder's authorised employee / representative name: \_\_\_\_\_

Executed by authorised employee / representative for and on behalf of the Account Holder:

\_\_\_\_\_

**SCHEDULE 5**  
**HOLDING PERIOD LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND**  
**USD100M NOBLE PRESTIGE FACILITY)<sup>13</sup>**

For use by Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders in respect of

The facility agreement in respect of the HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Company Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time

The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

The facility agreement in respect of the HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time

(together the "**Existing Syndicated Facilities**")

The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time

(the "**USD100m Noble Prestige Facility**")

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the Company's schemes of arrangement under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, "**Beneficiary**" has the meaning given to it in the Holding Period Trust Deed and references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable,

<sup>13</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Lender Proxy Forms submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.



as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Lender Proxy Form, references to "**Scheme Creditors**" shall mean (i) the Scheme Creditors or a lender of record under any of the Existing Syndicated Facilities and/or any Person who has a beneficial interest as principal under any of the Existing Syndicated Facilities (the "**Existing Syndicated Facilities Lenders**"), and/or (ii) the Scheme Creditors or a lender of record under any of the USD100m Noble Prestige Facility and/or any Person who has a beneficial interest as principal under any of the USD100m Noble Prestige Facility (the "**USD100m Noble Prestige Lenders**"), who are not Sanctions-Affected Scheme Creditors.

Beneficiaries, who are Existing Syndicated Facilities Lenders and USD100m Noble Prestige Lenders, must use this Lender Proxy Form to: (a) register details of their interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility; and (b) allow them to receive their share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the relevant New Shares and Cash Consideration in accordance with the terms of the China Aoyuan Schemes and Add Hero Schemes respectively. A summary of this Lender Proxy Form is set out below.

### Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Bar Time in order for an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender to receive its share of: (i) the relevant Trust Assets pursuant to the Holding Period Trust Deed; and (ii) the relevant New Shares and Cash Consideration in accordance with the terms of the China Aoyuan Schemes and Add Hero Schemes respectively.

If an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its share of the relevant Trust Assets, New Shares and Cash Consideration by submitting a Designated Recipient Form in accordance with the terms of the Holding Period Trust and the China Aoyuan Schemes and/or the Add Hero Schemes.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes; and (iii) the Cash Consideration Entitlement in accordance with the Add Hero Schemes. If a Beneficiary (who is an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender) fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, New Shares Entitlement or to the Cash Consideration Entitlement, in each case, by the Bar Time, that Beneficiary's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Beneficiary shall not be entitled to receive any Scheme Consideration Entitlement or otherwise under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

### **Online Lender Proxy Form**

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.

A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim (in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility) for both China Aoyuan Schemes and both Add Hero Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and the Add Hero HK Scheme.**

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) and the Holding Period Trust Deed at Appendix 10 (*Form of Holding Period Trust Deed*) to each Explanatory Statement before you complete this Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise

out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form submission): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and signed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i>
Section 1	Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender	
Section 2	Details of Holdings	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>If the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order for the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments and Add Hero Securities Form	

## PART 1

### EXISTING SYNDICATED FACILITIES LENDER AND USD100M NOBLE PRESTIGE LENDER AND HOLDINGS DETAILS

A Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and/or the Add Hero Schemes.

#### **Section 1** Details of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender

Please identify the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders:**

Type of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (select one):  
PHYSICAL PERSON / ORGANISATION

Full name of Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender: \_\_\_\_\_

Is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender an Eligible Person<sup>14</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

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<sup>14</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

**To be completed if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is an institution/corporation:**

Jurisdiction of incorporation of  
Existing Syndicated Facilities  
Lender and/or USD100m Noble  
Prestige Lender:

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**To be completed by all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the Add Hero Notes Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable) (For the avoidance of doubt, all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Cash Consideration Entitlement and the RSA Fees (Cash Component) (if applicable) (For the avoidance of doubt, all Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

**All Existing Syndicated Facilities Lenders and/or USD100m Noble Prestige Lenders who wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the New Shares Entitlement, the Add Hero Notes Entitlement, the Cash Consideration Entitlement and the RSA Fees (if applicable) have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**

## Section 2 Details of Holdings

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender holds the following Existing Loans Debt in respect of the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility to which this Lender Proxy Form relates as at the Record Date:<sup>15</sup>

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
<b>Existing Syndicated Facilities</b>					
ESF19HKD1131 For HKD	The HK\$1,131,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 9 April 2019, entered into between, among others, China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as facility agent, as amended or supplemented from time to time				
ESF19USD2000 For USD					

<sup>15</sup> Existing Loans Debt which the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender acquires after the Record Date may only be included in the above table if the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is a recognised transferee in respect of such Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes and the Add Hero Schemes.

**\* Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.**



Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ESF20HKD1055 For HKD	The HK\$1,055,000,000 and US\$95,000,000 dual currency term loan facilities (which may be subsequently increased) dated 21 January 2020, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time				
ESF20USD9500 For USD					
ESF21HKD1598 For HKD	The HK\$1,598,000,000 and US\$20,000,000 dual currency term loan facilities (which may be subsequently increased) dated 8 March 2021, entered into between, among others, China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as facility agent, as amended or supplemented from time to time				
ESF21USD2000 For USD					

Existing Syndicated Facilities and the USD100m Noble Prestige Facility Reference No. in the Scheme Portal	Existing Syndicated Facilities and the USD100m Noble Prestige Facility Description	Principal Amount of Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
<b>USD100m Noble Prestige Facility</b>					
EBF20USD1000	The US\$100,000,000 term loan facilities agreement dated 31 December 2020, entered into between, among others, China Aoyuan Group Company Limited as borrower, Aoyuan Group Company Limited as PRC guarantor and Noble Prestige (Cayman) Limited as lender, as amended or supplemented from time to time				

**SIGNING:**

Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender's authorised employee /  
representative name: \_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of \_\_\_\_\_

Existing Syndicated Facilities  
Lender/USD100m Noble Prestige  
Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

**APPENDIX 1 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DESIGNATED RECIPIENT FORM (if applicable)<sup>16</sup>**

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement, Add Hero Notes Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable), the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must be an Eligible Person or the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender.

**“Eligible Person”** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

With respect to the Scheme Creditors under the China Aoyuan Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Scheme Creditors under the Add Hero Schemes, this Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender may not appoint more than one Designated Recipient.**

Full name of Existing Syndicated \_\_\_\_\_  
Facilities Lender and/or USD100m  
Noble Prestige Lender:

**Details of Designated Recipient**

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<sup>16</sup> It is not mandatory for an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender to have the Designated Recipient Form completed. An Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender should only have it completed if such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender: (i) is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Existing Syndicated Facilities Lender and/or USD Noble Prestige Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event.

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient PHYSICAL PERSON / ORGANISATION  
(select one):

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**To be completed by the Designated Recipient of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the Add Hero Notes Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable):**

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by the Designated Recipient of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender in order to receive the Cash Consideration Entitlement and the RSA Fees (Cash Component) (if applicable):**

**Details of Designated Recipient's Bank Account**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

The **Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender** named below for itself hereby confirms to China Aoyuan, Add Hero, the Holding Period Trustee and the Information Agent that, in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the Lender Proxy Form, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Existing Syndicated Facilities  
Lender's and/or USD100m Noble  
Prestige Lender's authorised  
employee / representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
the Existing Syndicated Facilities  
Lender and/or USD100m Noble  
Prestige Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_

**APPENDIX 2 TO THE LENDER PROXY FORM (EXISTING SYNDICATED FACILITIES AND  
USD100M NOBLE PRESTIGE FACILITY)**

**DISTRIBUTION CONFIRMATION DEED**

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that wishes to receive its share of the relevant Trust Assets, New Shares Entitlement, Cash Consideration Entitlement and RSA Fees (if applicable) in accordance with the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes must ensure that this Distribution Confirmation Deed is validly completed by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or each of their Designated Recipients in the affirmative and submitted by the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or each of their Designated Recipients, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Bar Time.

**Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution pages of this Deed on the date stated in the execution page of this Deed for the benefit of China Aoyuan and Add Hero, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and Advisers (each as defined in the China Aoyuan Schemes and the Add Hero Schemes), even though they are not party to this Deed.

**1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statements, the China Aoyuan Schemes and the Add Hero Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes and the Add Hero Schemes apply to this Deed except that references to the China Aoyuan Schemes and the Add Hero Schemes shall instead be construed as references to this Deed.



## 2. Confirmations, warranties and undertakings

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
- (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments and Add Hero Securities Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments and Add Hero Securities Form*), each of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to China Aoyuan, Add Hero and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
- (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that: (i) China Aoyuan (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands; (ii) Add Hero (which is the issuer of the Add Hero Notes) is incorporated under the laws of the BVI; (iii) that the Existing Syndicated Facilities Guarantors and USD100m Noble Prestige Facility Guarantors are incorporated in the BVI, Cayman Islands or Hong Kong; or (iv) that the Existing Syndicated Facilities and the USD100m Noble Prestige Facility are each governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes, the Add Hero Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## 3. Distribution of the Aoyuan New Securities, Transfer Shares and Add Hero Notes

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities, Transfer Shares and Add Hero Notes to which it is entitled in accordance with the terms of the China Aoyuan Schemes and the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities, Transfer Shares and Add Hero Notes under the terms of the China Aoyuan Schemes and the Add Hero Schemes, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably directs: (i) China Aoyuan to issue such Aoyuan New Securities to it; (ii) the Sponsor to transfer such Transfer Shares to it; and (iii) Add Hero to issue such Add Hero Notes to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities, Transfer Shares and Add Hero Notes.

#### **4. Distribution of the New Shares**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, China Aoyuan shall issue such New Shares in the name of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in scrip form and the relevant Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

#### **5. Distribution of the Cash Consideration**

- (a) The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility that are the subject of the applicable Lender Proxy Form that it intends to receive the Cash Consideration to which it is entitled in accordance with the terms of the Add Hero Schemes.
- (b) To the extent that an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is entitled to receive any of the Cash Consideration under the terms of the Add Hero Schemes, Add Hero shall pay Cash Consideration to the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) by transferring the same to the cash account designated by Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) in its validly completed Lender Proxy Form or Designated Recipient Form (as applicable).

**6. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of, or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong, the Cayman Islands and BVI have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee, the Aoyuan Perpetuals Fiscal Agent and the Add Hero Notes Trustee that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Add Hero Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender will retain no beneficial interest in any Aoyuan New Securities or Add Hero Notes nominated to be held by any Designated Recipient(s) if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes, the Add Hero Schemes and the Explanatory Statements and assumes all of the risks inherent in participating in the China Aoyuan Schemes and the Add Hero Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes and the Add Hero Schemes;
  - (d) it authorises the Clearing Systems to provide details concerning its identity, the Existing Syndicated Facilities and/or the USD100m Noble Prestige Facility which are the subject of the Lender Proxy Form and its applicable account details to China Aoyuan, Add Hero, the Existing Loans Administrative Parties (as applicable) and the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (e) it acknowledges that no information has been provided to it by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Holding Period Trustee or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or Add Hero Notes or the participation in the China Aoyuan Schemes or the Add Hero Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes or the Add Hero Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed, Aoyuan Perpetuals Fiscal Agency Agreement, the Add Hero Notes and/or the Add Hero Notes Indentures) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Add Hero Notes Administrative Parties, the Holding Period Trustee, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;

- (f) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme, the China Aoyuan HK Scheme, the Add Hero BVI Scheme and Add Hero HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes and Add Hero Schemes becoming effective;
  - (g) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;
  - (h) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (i) it acknowledges and agrees that China Aoyuan and Add Hero (as applicable) may, subject to the terms of the China Aoyuan Schemes and the Add Hero Schemes, between the date on which the Explanatory Statements are issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes, the Add Hero Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes or the Add Hero Schemes and are necessary for the purpose of implementing the Restructuring, and provided that China Aoyuan and Add Hero (as applicable) draws all such modifications or additions to the attention of the Cayman Court, the BVI Court and/or HK Court (as applicable) at the Scheme Sanction Hearings;
  - (j) it acknowledges that neither the China Aoyuan Schemes, the Add Hero Schemes nor the transactions contemplated by the Explanatory Statements shall be deemed to be investment advice or a recommendation as to a course of conduct by China Aoyuan, Add Hero, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (k) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## Annex B to the Distribution Confirmation Deed

### Securities law confirmations and undertakings

1. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan, Add Hero, the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent, the Aoyuan Perpetuals Common Depositary, Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
  - (a) it understands that the Add Hero Notes and the guarantees thereof (together, the **"Add Hero Securities"**) and the Aoyuan New Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments and the Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree to transfer such Aoyuan Instruments and Add Hero Securities only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) China Aoyuan, Add Hero or any of their Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent and Add Hero Notes Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S.

Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments and the Add Hero Securities, and each subsequent holder of the Aoyuan Instruments and the Add Hero Securities by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments and Add Hero Securities only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless China Aoyuan or Add Hero (as applicable) determines otherwise in accordance with applicable law, the Aoyuan New Securities and the Add Hero Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE**

**EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments and the Add Hero Securities will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments and the Add Hero Securities of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that China Aoyuan and Add Hero (as applicable) shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments and the Add Hero Securities made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments and the Add Hero Securities;



- (g) it confirms that it will acquire an interest in the Aoyuan Instruments and the Add Hero Securities for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments and Add Hero Securities by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;
- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments and the Add Hero Securities, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments and the Add Hero Securities (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments and the Add Hero Securities, and is able to sustain a complete loss of its investment in the Aoyuan Instruments and the Add Hero Securities;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and the Add Hero Securities and has made an independent decision to acquire the Aoyuan Instruments and the Add Hero Securities based on the information concerning the business and financial condition of China Aoyuan and Add Hero (as applicable) and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments and the Add Hero Securities or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes, the Add Hero Schemes or the Explanatory Statements, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments, the Add Hero Schemes, the Add Hero Securities and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments and the Add Hero Securities will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that China Aoyuan and Add Hero (as applicable) does not intend to take action to facilitate a market in any of the Aoyuan Instruments or the Add Hero Securities in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that China Aoyuan and Add Hero (as applicable) and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments and the Add Hero Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan

Instruments and the Add Hero Securities, notify China Aoyuan and Add Hero (as applicable) in writing;

- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments or Add Hero Securities) may otherwise lawfully be communicated or caused to be communicated;
- (q) it understands that the Explanatory Statements have not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments and the Add Hero Securities have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments and the Add Hero Securities may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments and the Add Hero Securities that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments and the Add Hero Securities. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments and the Add Hero Securities, and China Aoyuan and Add Hero (as applicable) is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments and Add Hero Securities, or cause any offer for the resale of its Aoyuan Instruments and Add Hero Securities, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments and Add Hero Securities would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments and Add Hero Securities.

## Sanctions law confirmations and undertakings

2. The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or, if the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender has appointed a Designated Recipient, its Designated Recipient, confirms to China Aoyuan and Add Hero (as applicable), the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary, the Add Hero Notes Trustee and the Add Hero Notes Common Depositary that:
- (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a "person connected with Russia", or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or Add Hero Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and
  - (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender, any agent, employee or Affiliate

or other person associated with or acting on behalf of the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender or any of its Subsidiaries is:

- (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands or the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments and Add Hero Securities Form**

By ticking one of the boxes below, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender expressly acknowledges and confirms that the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments and/or Add Hero Securities in the form as follows:

- ☐ IAI Aoyuan Instruments and/or Add Hero Securities
- ☐ Regulation S Aoyuan Instruments and/or Add Hero Securities

By ticking one of the two boxes above, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments and Add Hero Securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit China Aoyuan, Add Hero and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments and the Add Hero Securities are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments and Add Hero Securities to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments and Add Hero Securities not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments and/or Add Hero Securities box, the Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments and Add Hero Securities in an offshore transaction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments and Add Hero Securities for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and Add Hero Securities and should contact the Information Agent without delay.

The Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

We: (i) are an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender; or (ii) the Designated Recipient of an Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender (please tick only one, as applicable):

- ☐ Existing Syndicated Facilities Lender and/or USD100m Noble Prestige Lender
- ☐ Designated Recipient

Existing Syndicated Facilities  
Lender's and/or USD100m Noble  
Prestige Lender's / Designated  
Recipient's authorised  
employee/representative name:

\_\_\_\_\_

Executed by authorised  
employee/representative for and on  
behalf of the Existing Syndicated  
Facilities Lender and/or USD100m  
Noble Prestige Lender / Designated  
Recipient:

\_\_\_\_\_

**SCHEDULE 6**  
**HOLDING PERIOD LENDER PROXY FORM (OTHER NON-ICA DEBT)**<sup>17</sup>

For use by Other Non-ICA Debt Lenders in respect of

**Existing Bilateral Facilities (SBLC)**

**Existing Other Offshore Financings**

**Existing Onshore Facilities**

**Existing Private Loans**

(together the **"Other Non-ICA Debt"**)

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the **"China Aoyuan Cayman Scheme"**) and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the **"China Aoyuan HK Scheme"**)

(together, the **"China Aoyuan Schemes"**)

Capitalised terms used but not defined in this Lender Proxy Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the **"Explanatory Statement"**), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, references to a document being **"validly completed"** are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps (including submitting any required custody instruction or other required instruction to or through a Clearing System). For the purposes of this Lender Proxy Form, references to **"Scheme Creditors"** or **"Other Non-ICA Debt Lenders"** shall mean the Scheme Creditors or a lender of record under any of the Other Non-ICA Debt and/or any Person who has a beneficial interest as principal under any of the Other Non-ICA Debt, who are not Sanctions-Affected Scheme Creditors.

Beneficiaries, who are Other Non-ICA Lenders, must use this Lender Proxy Form to: (a) register details of their interest in the Other Non-ICA Debt; and (b) allow them to receive their share of (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed and (ii) the relevant New Shares in accordance with the terms of the China Aoyuan Schemes. A summary of this Lender Proxy Form is set out below.

### **Key Dates**

The key dates in respect of the China Aoyuan Schemes are:

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<sup>17</sup>A sample Lender Proxy Form will be posted online via the Transaction Website (<https://projects.morrowsodali.com/aoyuan>). Scheme Creditors must note that paper Lender Proxy Forms are circulated as a sample only and will not be accepted by the Information Agent. Only Lender Proxy Forms submitted via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) will be accepted.



- **Reference Date:** being 30 September 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Lender Proxy Form must be submitted to and received by the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>) by the Bar Time in order for an Other Non-ICA Debt Lender to be eligible to receive its share of: (i) the relevant Trust Assets pursuant to the Holding Period Trust Deed; and (ii) the relevant New Shares in accordance with the terms of the China Aoyuan Schemes respectively.

If an Other Non-ICA Debt Lender is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), it may designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement by submitting a Designated Recipient Form in accordance with the terms of the China Aoyuan Schemes.

Each Unadmitted Scheme Creditor should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; and (ii) the New Shares Entitlement in accordance with the China Aoyuan Schemes. If an Unadmitted Scheme Creditor fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Unadmitted Scheme Creditor shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Unadmitted Scheme Creditor in respect of its New Shares Entitlement shall be extinguished.

### Online Lender Proxy Form

It is highly recommended that the completed Lender Proxy Form be printed or saved as a PDF document after submission via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). You will receive acknowledgement of the transmission of your submission together with the final PDF. Original paper copies of the Lender Proxy Form are not required and should not be sent to the Information Agent.

A separate Lender Proxy Form, Distribution Confirmation Deed and, if applicable, Designated Recipient Form must be completed in respect of each separate beneficial holding of interest in the Other Non-ICA Debt.

**You may only submit one Lender Proxy Form in respect of the same Scheme Claim for both China Aoyuan Schemes. It is not necessary to submit a separate Lender Proxy Form for each of the China Aoyuan Cayman Scheme and the China Aoyuan HK Scheme.**

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) to the Explanatory Statement before you complete the Lender Proxy Form. The Solicitation Packet contains detailed information on the various options contained in this Lender Proxy Form.**

This Lender Proxy Form and any non-contractual obligations arising out of or in relation to this Lender Proxy Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Lender Proxy Form. By submission of the Lender Proxy Form to the Information Agent via the Scheme Portal, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

##### **Morrow Sodali Limited**

Telephone: +852 2319 4130 (Hong Kong) / +44 20 4513 6933 (London)

Email: [aoyuan@investor.morrowsodali.com](mailto:aoyuan@investor.morrowsodali.com)

Transaction Website (document posting website): <https://projects.morrowsodali.com/aoyuan>

Scheme Portal (for form discussion): <https://portal.morrowsodali.com/aoyuanScheme>

## SUMMARY OF THIS LENDER PROXY FORM

The Lender Proxy Form must be validly completed and submitted to the Information Agent via the Scheme Portal (<https://portal.morrowsodali.com/aoyuanScheme>). The below version is provided as a sample only.

<b><u>PART 1</u></b>	<b>OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed in all cases by the Other Non-ICA Debt Lender and signed by the Other Non-ICA Debt Lender</i>
Section 1	Details of the Other Non-ICA Debt Lender	
Section 2	Details of Holdings	
<b><u>APPENDIX 1</u></b>	<b>DESIGNATED RECIPIENT FORM</b>	<i>If the Other Non-ICA Debt Lender would like to appoint a Designated Recipient to receive its Scheme Consideration Entitlement, this Appendix 1 must be completed by an Other Non-ICA Debt Lender</i>
<b><u>APPENDIX 2</u></b>	<b>DISTRIBUTION CONFIRMATION DEED</b>	<i>This Appendix 2 must be completed in all cases by the Other Non-ICA Debt Lender in order for the Other Non-ICA Debt Lender (or its Designated Recipient) to receive any Scheme Consideration Entitlement</i>
Annex A	General confirmations, acknowledgements, warranties and undertakings	
Annex B	Securities law confirmations, sanctions law confirmations and undertakings	
Annex C	Aoyuan Instruments Form	

## PART 1

### OTHER NON-ICA DEBT LENDER AND HOLDINGS DETAILS

**Irrespective of any elections made under any other part of this Lender Proxy Form, a Lender Proxy Form submitted to and received by the Information Agent that does not include all information requested in this Part 1 will not constitute a validly completed Lender Proxy Form and the relevant Other Non-ICA Debt Lender will not receive any Scheme Consideration Entitlement if the China Aoyuan Schemes become effective in accordance with their terms.**

#### **Section 1 Details of the Other Non-ICA Debt Lender**

Please identify the Other Non-ICA Debt Lender (that is, the person that is the beneficial owner of and/or the holder of the ultimate economic interest as principal in the Other Non-ICA Debt, held in global form and/or restricted global form, as the case may be, through the Clearing Systems) on whose behalf you are submitting this Lender Proxy Form.

#### **To be completed for all Other Non-ICA Debt Lenders:**

Type of Other Non-ICA Debt Lender (select one): PHYSICAL PERSON / ORGANISATION

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

Is the Other Non-ICA Debt Lender an Eligible Person<sup>18</sup>? (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

#### **To be completed if the Other Non-ICA Debt Lender is an institution/corporation:**

Jurisdiction of incorporation of Other Non-ICA Debt Lender: \_\_\_\_\_

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<sup>18</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form.

**To be completed by all Other Non-ICA Debt Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable) (For the avoidance of doubt, all Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by all Other Non-ICA Debt Lenders (who are Eligible Persons and who do not wish to appoint a Designated Recipient) in order to receive the RSA Fees (Cash Component) (if applicable) (For the avoidance of doubt, all Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient by the Bar Time do not need to complete the below):**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

**All Other Non-ICA Debt Lenders who wish to appoint a Designated Recipient to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement, the New Shares Entitlement and the RSA Fees (if applicable) have to complete the Designated Recipient Form set out at Appendix 1 (*Designated Recipient Form*) of this Lender Proxy Form.**

## Section 2 Details of Holdings

The Other Non-ICA Debt Lender holds the following Other Non-ICA Debt to which this Lender Proxy Form relates as at the Record Date:<sup>19</sup>

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
<b>Existing Bilateral Facilities (SBLC)</b>					
EBF20HKD3290	Facility Letter in respect of term loan facility of HK\$329,000,000 dated 10 December 2020, entered into between China Aoyuan Group Company Limited as borrower and Hang Seng Bank Limited as lender				
EBF21HKD7400	Facility Letter in respect of the HK\$740,000,000 term loan facility, originally dated 10 June 2021, entered into between China Aoyuan Group Company Limited as				

<sup>19</sup> Other Non-ICA Debt which the relevant Other Non-ICA Debt Lender acquires after the Record Date may only be included in the above table if the relevant Other Non-ICA Debt Lender is a recognised transferee in respect of such Other Non-ICA Debt in accordance with clause 11.1 (*Assignments or transfers of Scheme Claims after the Record Date*) of the China Aoyuan Schemes.

\* **Please provide particulars, breakdown and any supporting evidence in respect of interest calculations and/or any other amounts claimed.**

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	borrower and The Bank of East Asia, Limited as lender				
EBF21USD7000	Facility Letter in respect of term loan facility of US\$70,000,000 dated 16 June 2021, entered into between China Aoyuan Group Limited as borrower and CMB Wing Lung Bank Limited as lender				
EBF21HKD3670	Facility Letter in respect of revolving loan facility of HK\$367,000,000 dated 16 July 2018, 23 July 2019, 23 June 2020 and 8 June 2021, entered into between China Aoyuan Group Limited as borrower and Hang Seng Bank Limited as lender				
<b>Existing Other Offshore Financings</b>					
EBF21HKD1170	Facility Letter in respect of the HK\$117,000,000 revolving loan facility dated 13 July 2021, entered into between China Aoyuan Group Company Limited as borrower and				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	China CITIC Bank International Limited as lender				
EBF21HKD3000	Facility Letter in respect of the up to HK\$300,000,000 term loan facility dated 13 July 2021, entered into between China Aoyuan Group Limited as borrower and Nanyang Commercial Bank, Limited as lender				
EBF21HKD5000	Facility Letter in respect of the up to HK\$500,000,000 term loan facility dated 21 June 2021, entered into between China Aoyuan Group Limited as borrower and Chiyu Banking Corporation Limited as lender				
EBF21USD2000	US\$200,000,000 term loan facilities agreement dated 16 August 2021, entered into between, among others, China Aoyuan Group Limited as borrower and China Construction Bank (Asia) Corporation Limited as facility				



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	agent, as amended or supplemented from time to time				
EU21USD1000	US\$100,000,000 6.00% Guaranteed Notes Due 2021 issued by Asia Dynasty Enterprises Limited as issuer to Global Castle Investments Limited as original noteholder				
ESF20USD2000	US\$200,000,000 term loan facilities agreement dated 14 December 2020, entered into between, among others, Happy Team Investments Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time				
<b>Existing Onshore Facilities</b>					

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ADI01RMB1730	Loan between 奥园集团有限公司 (Borrower) and 广州南雅集团有限公司 (Lender) amounting to RMB2 billion				
ADI02RMB4218	Fixed assets loan between 成都市奥普置业有限公司 (Borrower) and 渤海银行股份有限公司成都分行 (Lender) amounting to RMB800 million				
ADI03RMB2395	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million				
ADI04RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	(Lender) amounting to RMB240 million				
ADI05RMB7950	Enterprise loan between 奥园集团有限公司 (Borrower) and 广州农村商业银行股份有限公司华夏支行 (Lender) amounting to RMB80 million				
ADI06RMB3580	M&A loan between 奥园集团 (广东) 有限公司 (Borrower) and 中国工商银行股份有限公司广州荔湾支行 (Lender) amounting to RMB600 million				
ADI07RMB3422	Loan between 保定京汉君庭酒店有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI08RMB9702	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI09RMB4302	Loan between 金汉（天津）房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI10RMB1457	Loan between 京汉（廊坊）房地产开发有限公司 (Borrower) and 渤海国际信托股份有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI11RMB2700	Loan between 京汉置业集团有限责任公司 (Borrower) and 保定银行股份有限公司安新支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ADI12RMB1872	Loan between 京汉置业集团有限责任公司 (Borrower) and 国民信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI13RMB1749	Debt assignment and repurchase agreement between 京汉置业集团有限责任公司, 重庆市汉基伊达置业有限公司 and 中铁信托有限责任公司 (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ADI14RMB1627	Loan between 京汉置业集团有限责任公司 (Borrower) and 大业信托有限公司 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI15RMB4470	Loan between 京汉置业集团有限责任公司 (Borrower) and 北京金汉房地产开发有限公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ADI16RMB2261	Loan between 南通华东建设有限公司 (Borrower) and 廊坊银行股份有限公司顺安道支行 (Lender) (now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
ADI17RMB1149	Loan between 天津凯华奎恩房地产开发有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司大连市分公司 and now transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				



Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ADI18RMB1376	Loan between 重庆中翡岛置业有限公司 (Borrower) and 京汉置业集团有限责任公司 (Lender) (transferred to 中国华融资产管理股份有限公司天津市分公司 and subsequently transferred to 中国信达资产管理股份有限公司广东省分公司) (which has the benefit of a Hong Kong law governed guarantee provided by China Aoyuan Group Limited dated 17 August 2020)				
<b>Existing Private Loans</b>					
ESF20HKD6760	HK\$676,000,000 term loan facilities agreement dated 3 December 2020, entered into between Flair Honour Limited as borrower, China Aoyuan Group Limited as offshore guarantor and Lofty Time Opportunity X Limited as lender, as amended or supplemented from time to time				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount of accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount of accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
ESF21HKD7800	HK\$780,000,000 term loan facilities agreement dated 24 May 2021, entered into between, among others, Luck Gain Limited as borrower and Tai Fung Bank Limited as facility agent, as amended or supplemented from time to time				
ESF22HKD7800	HKD equivalent of US\$100,000,000 term loan facilities agreement dated 23 December 2022, entered into between, among others, Speedy Capital Limited as borrower, China Aoyuan Group Limited as guarantor and Tai Fung Bank Limited as lender, as amended or supplemented from time to time, the purpose of which was to refinance the HKD780m Tai Fung Bank Facility				
ESF20USD1200	US\$120,000,000 term loan facilities agreement dated 18 December 2020, entered into between, among				

Other Non-ICA Debt Reference No. in the Scheme Portal	Other Non-ICA Debt Description	Principal Amount of Other Non-ICA Debt as at Reference Date (inclusive) (i.e. 30 September 2023) (in original currency)	Amount accrued but unpaid normal interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Amount accrued but unpaid default interest as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)	Any other amounts accrued but unpaid as at Reference Date (inclusive) (i.e. 30 September 2023)* (in original currency)
	others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time				
ESF21USD1500	US\$150,000,000 term loan facilities agreement dated 17 March 2021, entered into between, among others, King World Holdings Limited as borrower, China Aoyuan Group Limited as guarantor and China Construction Bank (Asia) Corporation Limited as facility agent, as amended or supplemented from time to time				

**SIGNING:**

Other Non-ICA Debt Lender's  
authorised employee /  
representative name:

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Executed by authorised employee /  
representative for and on behalf of  
Other Non-ICA Debt Lender:

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Date:

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## APPENDIX 1 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### DESIGNATED RECIPIENT FORM (if applicable)<sup>20</sup>

To be eligible to receive its Aoyuan New Securities Entitlement, Transfer Shares Entitlement, New Shares Entitlement and RSA Fees (if applicable), the Other Non-ICA Debt Lender must be an Eligible Person or the Other Non-ICA Debt Lender must appoint a Designated Recipient who is an Eligible Person to receive all of the Scheme Consideration Entitlement otherwise attributable to the Other Non-ICA Debt Lender.

**"Eligible Person"** means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Lender Proxy Form. An Other Non-ICA Debt Lender, who is an Eligible Person, is not required to complete this Designated Recipient Form.

This Designated Recipient Form and any non-contractual obligations arising out of or in relation to this Designated Recipient Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Designated Recipient Form. By submission of this Designated Recipient Form to the Information Agent, the Other Non-ICA Debt Lender and the Designated Recipient irrevocably submit to the jurisdiction of such courts and waive any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

**IMPORTANT NOTE: An Other Non-ICA Debt Lender may not appoint more than one Designated Recipient.**

Full name of Other Non-ICA Debt Lender: \_\_\_\_\_

#### **Details of Designated Recipient**

The Other Non-ICA Debt Lender hereby irrevocably and unconditionally nominates:

Type of Designated Recipient (select one): PHYSICAL PERSON / ORGANISATION

Name of Designated Recipient: \_\_\_\_\_

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Designated Recipient is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

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<sup>20</sup> It is not mandatory for an Other Non-ICA Debt Lender to have the Designated Recipient Form completed. An Other Non-ICA Debt Lender should only have it completed if such an Other Non-ICA Debt Lender: (i) is not an Eligible Person (i.e. a person who cannot make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to the Distribution Confirmation Deed), and such an Other Non-ICA Debt Lender intends to designate a Designated Recipient who is an Eligible Person to receive its Scheme Consideration Entitlement; or (ii) is an Eligible Person but would like to nominate a Designated Recipient who is also an Eligible Person to receive its Scheme Consideration Entitlement in any event.

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

to be its Designated Recipient for the purposes of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in respect of all of the Scheme Consideration Entitlement otherwise attributable to it.

**To be completed by the Designated Recipient of the Other Non-ICA Debt Lender in order to receive the Aoyuan New Securities Entitlement, the Transfer Shares Entitlement and the RSA Fees (Aoyuan New Notes) (if applicable):**

**Details of Designated Recipient's Account Holder**

Full name of Account Holder: \_\_\_\_\_

Clearing System (select one): EUROCLEAR / CLEARSTREAM

Clearing System participant account number: \_\_\_\_\_

Authorised employee of Account Holder (print name): \_\_\_\_\_

Telephone number of authorised employee (with country code): \_\_\_\_\_

Email of authorised employee: \_\_\_\_\_

**To be completed by the Designated Recipient of the Other Non-ICA Debt Lender in order to receive the RSA Fees (Cash Component) (if applicable):**

**Details of Designated Recipient's Bank Account**

Correspondent Bank: \_\_\_\_\_

Correspondent Bank SWIFT: \_\_\_\_\_

Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary SWIFT (if applicable): \_\_\_\_\_

Account Number of Beneficiary Bank (if applicable): \_\_\_\_\_

Beneficiary Name: \_\_\_\_\_

Beneficiary Account Number/IBAN: \_\_\_\_\_

Beneficiary Address: \_\_\_\_\_

Reference: \_\_\_\_\_

The **Other Non-ICA Debt Lender** named below for itself hereby confirms to the Company, the Holding Period Trustee and the Information Agent that, in relation to the Other Non-ICA Debt that is the subject of the Lender Proxy Form, the Other Non-ICA Debt Lender has authority to identify the Designated Recipient and the Designated Recipient's Account Holder in this Appendix 1 (if any) and to give on its behalf the instruction given in the applicable Lender Proxy Form:

☐ Yes

☐ No

**SIGNING:**

Other Non-ICA Debt Lender's  
authorised employee /  
representative name:

\_\_\_\_\_

Executed by authorised employee /  
representative for and on behalf of  
the Other Non-ICA Debt Lender:

\_\_\_\_\_

Date:

\_\_\_\_\_



## APPENDIX 2 TO THE LENDER PROXY FORM (OTHER NON-ICA DEBT)

### DISTRIBUTION CONFIRMATION DEED

Any Other Non-ICA Debt Lender that wishes to receive its share of the relevant Trust Assets, New Shares Entitlement and RSA Fees (if applicable) in accordance with the Holding Period Trust Deed and the China Aoyuan Schemes must ensure that this Distribution Confirmation Deed is validly completed by the Other Non-ICA Debt Lender or its Designated Recipient in the affirmative and submitted by the Other Non-ICA Debt Lender or its Designated Recipient, together with a validly completed Lender Proxy Form (and, if applicable, a Designated Recipient Form), to the Information Agent by the Bar Time.

#### **Distribution Confirmation Deed**

**This Deed** is made by way of deed poll by the person whose details are set out in the execution page of this Deed on the date stated in the execution page of this Deed for the benefit of the Company, and with the intention and effect that it may be directly relied upon and enforced separately by each Restructuring Released Party and its Advisers (each as defined in the China Aoyuan Schemes), even though they are not party to this Deed.

#### **1. Definitions and interpretation**

- (a) Unless otherwise defined herein, defined terms in this Deed shall have the meanings given to them in the Explanatory Statement and the China Aoyuan Schemes.
- (b) In this Deed, unless the context otherwise requires:
  - (i) words in the singular include the plural and in the plural include the singular;
  - (ii) the words "including" and "include" shall not be construed as or take effect as limiting the generality of the foregoing;
  - (iii) the headings shall not be construed as part of this Deed nor affect its interpretation;
  - (iv) references to any clause, without further designation, shall be construed as references to the clause of this Deed so numbered;
  - (v) reference to any act, statute or statutory provision shall include a reference to that provision as amended, re-enacted or replaced from time to time whether before or after the date of this Deed and any former statutory provision replaced (with or without modification) by the provision referred to;
  - (vi) reference to a person includes a reference to any body corporate, unincorporated association or partnership and to that person's legal personal representatives or successors; and
  - (vii) the principles of construction set out in the China Aoyuan Schemes apply to this Deed except that references to the China Aoyuan Schemes shall instead be construed as references to this Deed.

## **2. Confirmations, warranties and undertakings**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient gives the confirmations, acknowledgements, warranties and undertakings set out in:
  - (i) Annex A (*General confirmations, acknowledgements, warranties and undertakings*);
  - (ii) Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*); and
  - (iii) Annex C (*Aoyuan Instruments Form*).
- (b) Without prejudice to the provisions in Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and Annex C (*Aoyuan Instruments Form*), each of the Other Non-ICA Debt Lender and, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, hereby irrevocably warrants, undertakes and represents to the Company and the Existing Loans Administrative Parties (as applicable) that with effect from the Restructuring Effective Date:
  - (i) it will not seek to dispute, set aside, challenge, compromise or question in any jurisdiction the validity and efficacy of the cancellation and/or write-down of its Scheme Claims, including the Other Non-ICA Debt, provided that such cancellation and/or write-down was done in accordance with the terms of the China Aoyuan Schemes;
  - (ii) it will not seek to dispute, challenge, set aside or question the validity, authority or efficacy of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme in any jurisdiction or before any court, regulatory authority, tribunal or otherwise and, without prejudice to the generality of the foregoing, notwithstanding that the Company (which is the issuer of the Aoyuan New Securities) is incorporated under the laws of the Cayman Islands or that each Other Non-ICA Debt instrument is governed by Hong Kong law; and
  - (iii) it has obtained all necessary consents, authorisations, approvals and/or permissions required to be obtained by it under the laws and regulations applicable to it in any jurisdiction in order to sign this Deed and its signatory represents that it is duly authorised to sign this Deed on that party's behalf,

but provided always that the Other Non-ICA Debt Lender shall not be prevented from enforcing the terms of the China Aoyuan Schemes or any Restructuring Document and/or taking any such action as is required to prevent, remedy or enforce any breach of the same.

## **3. Distribution of the Aoyuan New Securities and Transfer Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the Aoyuan New Securities and Transfer Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the Aoyuan New Securities and Transfer Shares under the terms of the China Aoyuan Schemes, the Other Non-ICA Debt Lender irrevocably

directs (i) the Company to issue such Aoyuan New Securities to it and (ii) the Sponsor to transfer such Transfer Shares to it, in each case, by crediting its account, held with Euroclear or Clearstream, as applicable, and identified in its Lender Proxy Form, with a beneficial interest in the Aoyuan New Securities and Transfer Shares.

**4. Distribution of the New Shares**

- (a) The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms in relation to the Other Non-ICA Debt that is the subject of the applicable Lender Proxy Form that it intends to receive the New Shares to which it is entitled in accordance with the terms of the China Aoyuan Schemes.
- (b) To the extent that an Other Non-ICA Debt Lender (or its Designated Recipient) is entitled to receive any of the New Shares under the terms of the China Aoyuan Schemes, the Company shall issue such New Shares in the name of the Other Non-ICA Debt Lender (or its Designated Recipient) in scrip form. An Other Non-ICA Debt Lender (or its Designated Recipient) may collect a physical copy of the share certificate evidencing such New Shares from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

**5. Governing law and jurisdiction**

- (a) This Deed (including its Annexes) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of Hong Kong.
- (b) The courts of Hong Kong and the Cayman Islands have non-exclusive jurisdiction to settle any dispute arising out of, or connected with, this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity). By submission of this Deed to the Information Agent, the Other Non-ICA Debt Lender irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

## **Annex A to the Distribution Confirmation Deed**

### **General confirmations, acknowledgements, warranties and undertakings**

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan MCB Trustee and the Aoyuan Perpetuals Fiscal Agent that:
  - (a) to the best of its knowledge, it has complied with all laws and regulations applicable to it in any jurisdiction with respect to the China Aoyuan Schemes, the Lender Proxy Form and this Deed;
  - (b) (i) it is an Eligible Person; or (ii) if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Other Non-ICA Debt Lender will retain no beneficial interest in any Aoyuan New Securities nominated to be held by any Designated Recipient(s) if the Other Non-ICA Debt Lender is itself not an Eligible Person;
  - (c) it has received and reviewed the China Aoyuan Schemes and the Explanatory Statement and assumes all of the risks inherent in participating in the China Aoyuan Schemes as described in the Explanatory Statements and has undertaken all the appropriate analysis of the implications of participating in the China Aoyuan Schemes;
  - (d) it authorises the Clearing Systems to provide details concerning its identity, the Other Non-ICA Debt which is the subject of the Lender Proxy Form and its applicable account details to the Company, the Existing Loans Administrative Parties (as applicable) and the Information Agent and their respective legal and financial advisers at the time the Lender Proxy Form is submitted;
  - (e) it acknowledges that no information has been provided to it by the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Holding Period Trustee or the Information Agent with regard to the tax consequences arising from the receipt of any of the Aoyuan New Securities or the participation in the China Aoyuan Schemes and acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the China Aoyuan Schemes (other than any taxes and similar or related payments for which any member of the China Aoyuan Group is liable in accordance with the Aoyuan New Securities, the Aoyuan New Notes Indenture, Aoyuan MCB Trust Deed and/or Aoyuan Perpetuals Fiscal Agency Agreement) and agrees that it will not and does not have any right of recourse (whether by way of reimbursements, indemnity or otherwise) against the Company, any other member of the China Aoyuan Group, the Existing Loans Administrative Parties (as applicable), the Advisers, the Aoyuan New Securities Administrative Parties, the Holding Period Trustee, the Scheme Administrators, the Information Agent, the Blocked Scheme Creditor Tabulation Agent or any of their Affiliates, directors, officers, advisers or employees in respect of such taxes or similar payments;
  - (f) it consents to, and agrees to be bound by, the terms of each of the China Aoyuan Cayman Scheme and China Aoyuan HK Scheme and the other matters contained herein, upon the respective China Aoyuan Schemes becoming effective;
  - (g) it acknowledges that all authority conferred or agreed to be conferred pursuant to the Lender Proxy Form and this Deed and each obligation and the authorisations, instructions and agreements given by it shall, to the best of its knowledge and to the extent permitted by law, be binding upon its successors, assigns, heirs, executors, administrators, trustees in bankruptcy and legal representatives and

shall not be affected by, and shall survive, its death or incapacity and that all of the information in the Lender Proxy Form and this Deed is true, complete and accurate as at the date of this Deed;

- (h) it authorises the execution and the taking of all steps as are reasonably required to give effect to this Deed and its terms;
  - (i) it acknowledges and agrees that the Company may, subject to the terms of the China Aoyuan Schemes, between the date on which the Explanatory Statement is issued and the Scheme Effective Date, make any modifications of, or additions to, the China Aoyuan Schemes and/or the Restructuring Documents which would not, directly or indirectly, have a material adverse effect on the interests of the Scheme Creditors under the China Aoyuan Schemes and are necessary for the purpose of implementing the Restructuring, and provided that the Company draws all such modifications or additions to the attention of the Cayman Court and/or HK Court at the Scheme Sanction Hearings;
  - (j) it acknowledges that neither the China Aoyuan Schemes nor the transactions contemplated by the Explanatory Statement shall be deemed to be investment advice or a recommendation as to a course of conduct by the Company, any other member of the China Aoyuan Group, the Advisers, the Existing Loans Administrative Parties (as applicable), the Information Agent, the Scheme Administrators, the Blocked Scheme Creditor Tabulation Agent or any of their respective officers, directors, employees or agents; and
  - (k) it represents that, in directing the execution and delivery of this Deed, it has made an independent decision in consultation with its advisers and professionals to the extent that it considers it necessary.
2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, the Designated Recipient, hereby acknowledges and agrees that the confirmations, authorisations, acknowledgements and waivers made by it in this Annex A are also given in favour of each relevant Restructuring Released Party, who, in each case, is entitled to enforce and enjoy the benefit of any terms contained therein.

## **Annex B to the Distribution Confirmation Deed**

### **Securities law confirmations and undertakings**

1. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it understands that the Aoyuan Instruments have not been and will not be registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction;
  - (b) it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and any other applicable exemptions, and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only pursuant to:
    - (i) a registration statement that has been declared effective under the U.S. Securities Act; or
    - (ii) offers and sales to:
      - (A) the Company or any of its Subsidiaries;
      - (B) accredited investors within the United States that, before such transfer, deliver to the Aoyuan New Securities Paying Agent a duly completed and signed certificate (the form of which may be obtained from the Aoyuan New Securities Paying Agent) relating to the restrictions on transfer and are purchasing for their own account or for the account of such an institutional "accredited investor," in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act; or
      - (C) non-U.S. persons that occur outside the United States in an offshore transaction in accordance with Regulation S under the U.S. Securities Act; or
    - (iii) any other available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
  - (c) it is either:
    - (i) an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act) and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act, is familiar with Rule 144 promulgated under the U.S. Securities Act and understands the resale limitations imposed thereby and by the U.S. Securities Act; and it agrees on its own behalf and on behalf of any investor for which it is acquiring the Aoyuan Instruments, and each subsequent holder of the Aoyuan Instruments by its acceptance thereof will be deemed to agree, to transfer such Aoyuan Instruments only in compliance with Rule 144 (if available) or another applicable exemption from registration under the U.S. Securities Act; or

- (ii) is not a "U.S. person" nor is it purchasing for the account of a "U.S. person" as defined in Regulation S under the U.S. Securities Act, is not acquiring the Aoyuan Instruments for the account or benefit of a U.S. person and is acquiring the Aoyuan Instruments in an offshore transaction in compliance with Regulation S under the U.S. Securities Act;
- (d) it understands that unless the Company determines otherwise in accordance with applicable law, the Aoyuan New Securities will, to the extent that they are issued in certificated form, bear a legend substantially in the following form:

**"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.**

**[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of Rule 144A Global Note: REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"))] [in the case of IAI Global Notes: REPRESENTS THAT IT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN**

**OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**[In the case of the Regulation S Global Notes: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]**

**THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.**

**EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.";**

- (e) it and any subsequent holder of the Aoyuan Instruments will notify any person to whom it subsequently re-offers, resells, pledges, transfers or otherwise disposes of the Aoyuan Instruments of the foregoing restrictions on transfer;
- (f) it understands and acknowledges that the Company shall not be obliged to recognise any resale or other transfer of the Aoyuan Instruments made other than in compliance with the restrictions set forth in this Distribution Confirmation Deed and the terms of the Aoyuan Instruments;
- (g) it confirms that it will acquire an interest in the Aoyuan Instruments for its own account as principal or for the account of one or more other persons who are able to and who shall be deemed to make all of the representations and agreements in this Distribution Confirmation Deed and for whom it exercises sole investment discretion without a view to distribution and acquiring such interest not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D);
- (h) the receipt of Aoyuan Instruments by such person is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act;



- (i) it has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of investing in the Aoyuan Instruments, and is experienced in investing in capital markets and is able to bear the economic risk of investing in the Aoyuan Instruments (which it may be required to bear for an indefinite period of time and it is able to bear such risk for an indefinite period), and has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Aoyuan Instruments, and is able to sustain a complete loss of its investment in the Aoyuan Instruments;
- (j) it has or has access to all information that it believes is necessary, sufficient or appropriate in connection with its acquisition of the Aoyuan Instruments and has made an independent decision to acquire the Aoyuan Instruments based on the information concerning the business and financial condition of the Company and other information available to it which it has determined is adequate for that purpose;
- (k) it understands that neither the U.S. Securities and Exchange Commission, nor any other United States state or other securities commission or regulatory authority, has approved or disapproved of the Aoyuan Instruments or passed comment on the accuracy or adequacy of the Solicitation Packet, the China Aoyuan Schemes or the Explanatory Statement, and that any representation to the contrary is a criminal offence in the United States;
- (l) it has consulted and will continue to consult, in each case as required, its own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the China Aoyuan Schemes, the Aoyuan Instruments and the Restructuring in its particular circumstances;
- (m) it understands that the Aoyuan Instruments will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States and that the Company does not intend to take action to facilitate a market in any of the Aoyuan Instruments in the United States. Consequently, it understands that it is unlikely that an active trading market in the United States will develop for any such securities;
- (n) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Aoyuan Instruments are no longer accurate, it will promptly, and in any event prior to the issuance of the Aoyuan Instruments, notify the Company in writing;
- (o) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129; or (ii) not incorporated or situated in any member state of the European Economic Area;
- (p) it is either: (i) a qualified investor within the meaning of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) not incorporated or situated in the United Kingdom. If it is a resident of or located in the United Kingdom, it is: (i) a person who has professional experience in matters relating to investments and qualifies as an Investment Professional in accordance with Article 19(5) of the United Kingdom's Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) a person falling within Article 49(2)(a) to (d) (high net-worth companies, unincorporated associations, etc.) of the Order; or (iii) a person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA in connection with the issue, transfer or sale of any Aoyuan Instruments) may otherwise lawfully be communicated or caused to be communicated;

- (q) it understands that the Explanatory Statement has not been approved by the SFC pursuant to section 105(1) of Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("**SFO**") or section 342C(5) of Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("**C(WUMP)O**") or registered by Hong Kong's Registrar of Companies pursuant to section 342C(7) of the C(WUMP)O;
- (r) it is not located or resident in Hong Kong or, if it is resident or located in Hong Kong, it is a professional investor as defined in the SFO;
- (s) it understands that the Aoyuan Instruments have not been and will not be registered under the relevant laws of the PRC;
- (t) it is not in Singapore or, if it is in Singapore, it is: (i) an institutional investor (as defined in section 4A of the Securities and Futures Act 2001 of Singapore, as amended or modified from time to time (the "**SFA**")) pursuant to section 274 of the SFA; (ii) a relevant person (as defined in section 275(2) of the SFA) pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018; or (iii) a person to whom the Aoyuan Instruments may otherwise be offered pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA;
- (u) it will comply with all securities laws relating to the Aoyuan Instruments that apply to it in any place in which it accepts, holds or sells any of the Aoyuan Instruments. It has obtained all consents or approvals that it needs in order to receive the Aoyuan Instruments, and the Company is not responsible for compliance with these legal requirements; and
- (v) it will not offer or resell any of its Aoyuan Instruments, or cause any offer for the resale of its Aoyuan Instruments, in any state or jurisdiction in which such offer, a solicitation for the purchase of, or resale of its Aoyuan Instruments would be unlawful under the securities laws of such state or jurisdiction and it has complied and will comply with all applicable laws and regulations with respect to anything done by it in relation to the Aoyuan Instruments.

#### **Sanctions law confirmations and undertakings**

2. The Other Non-ICA Debt Lender or, if the Other Non-ICA Debt Lender has appointed a Designated Recipient, its Designated Recipient, confirms to the Company, the Holding Period Trustee, the Information Agent, the Existing Loans Administrative Parties (as applicable), the Aoyuan New Notes Trustee, the Aoyuan New Notes Common Depositary, the Aoyuan MCB Trustee, the Aoyuan MCB Common Depositary, the Aoyuan Perpetuals Fiscal Agent and the Aoyuan Perpetuals Common Depositary that:
  - (a) it is not, for the purposes of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person" or a "person connected with Russia", or a Sanctions-Affected Scheme Creditor;
  - (b) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender or any of its Subsidiaries, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic,

financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Other Non-ICA Debt Lender or any of its Subsidiaries located, organised or resident in a country, region or territory that is the subject or the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of the Crimea region of Ukraine, the Ukrainian regions of Kherson and Zaporizhzhia, the so-called Donetsk People's Republic region of Ukraine, the so-called Luhansk People's Republic region of Ukraine, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes would cause a violation of Applicable Sanctions applicable to such person or be at the risk of becoming the target or the subject of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (c) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Other Non-ICA Debt Lender, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Other Non-ICA Debt Lender, any agent, employee or Affiliate or other person associated with or acting on behalf of the Other Non-ICA Debt Lender or any of its Subsidiaries is:
  - (i) a "Designated Person" (as that term is defined under The Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (ii) a person "connected with" Russia (as that term is defined under the Russia (Sanctions) (EU Exit) Regulations 2019 (as amended) of the United Kingdom, as those regulations are extended to the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended));
  - (iii) a legal person, entity or body owned directly or indirectly by a Designated Person;
  - (iv) a legal person, entity or body controlled directly or indirectly by a Designated Person; or
  - (v) a natural person controlled directly or indirectly by a Designated Person; and
- (d) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such

funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that (x) will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, or (y) is likely to result in any person (including any person participating in the transaction, whether as adviser, investor or otherwise) becoming the subject or the target of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

## **Annex C to the Distribution Confirmation Deed**

### **Aoyuan Instruments Form**

By ticking one of the boxes below, the Other Non-ICA Debt Lender expressly acknowledges and confirms that the Other Non-ICA Debt Lender intends to receive and is eligible to receive, or if a Designated Recipient is appointed, the Designated Recipient acknowledges and confirms that it is eligible to receive Aoyuan Instruments in the form as follows:

- ☐ IAI Aoyuan Instruments
- ☐ Regulation S Aoyuan Instruments

By ticking one of the two boxes above, the Other Non-ICA Debt Lender (or its Designated Recipient, if applicable) expressly confirms, represents and warrants that, while it understands that the Aoyuan Instruments will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(a)(2) thereof, Regulation S thereunder and other applicable exemptions, in order to permit the Company and/or the Sponsor to avail itself of other applicable exemptions from the registration requirements of the U.S. Securities Act:

- (a) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act and understands that the Aoyuan Instruments are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act;
- (b) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is aware that the sale of the IAI Aoyuan Instruments to it is being made in reliance on one or more exemptions from registration under the U.S. Securities Act, including Section 4(a)(2) thereunder; and
- (c) in the case of ticking the IAI Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is acquiring the IAI Aoyuan Instruments for its own account or for one or more managed accounts, each of which is an institutional "accredited investor" and as to each of which it exercises sole investment discretion for investment purposes, not with a view to or for offer or sale in connection with any distribution in violation of the U.S. Securities Act, and acquiring such IAI Aoyuan Instruments not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D); or
- (d) in the case of ticking the Regulation S Aoyuan Instruments box, the Other Non-ICA Debt Lender (or its Designated Recipient) is located outside the United States and is a person that is not a "U.S. person" as defined in Regulation S under the U.S. Securities Act, acquiring the Regulation S Aoyuan Instruments in an offshore jurisdiction in reliance on Regulation S under the U.S. Securities Act, and acquiring the Regulation S Aoyuan Instruments for its own account or for one or more managed accounts, each of which is a non-U.S. person and as to each of which it exercises sole investment discretion.

Any Other Non-ICA Debt Lender that does not make the relevant confirmations by checking the "Yes" box below shall not be entitled to receive a distribution of Aoyuan Instruments and should contact the Information Agent without delay.

The Other Non-ICA Debt Lender and, if applicable, its Designated Recipient acknowledge and agree to the terms, confirmations, acknowledgements, warranties and undertakings set out in this Distribution Confirmation Deed, including, without limitation, those set out at Annex A (*General confirmations, acknowledgements, warranties and undertakings*), Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) and this Annex C:

☐ Yes

Executed and delivered as a Deed on \_\_\_\_\_ by the parties hereto.

We: (i) are an Other Non-ICA Debt Lender; or (ii) the Designated Recipient of an Other Non-ICA Debt Lender (please tick only one, as applicable):

☐ Other Non-ICA Debt Lender

☐ Designated Recipient

Other Non-ICA Debt Lender's /  
Designated Recipient's authorised  
employee/representative name:

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Executed by authorised  
employee/representative for and on  
behalf of the Other Non-ICA Debt  
Lender / Designated Recipient:

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## SCHEDULE 7

### HOLDING PERIOD BLOCKED SCHEME CREDITOR FORM (EXISTING PUBLIC NOTES)<sup>21</sup>

For use by Blocked Scheme Creditors in respect of

**US\$250,000,000 5.375% Senior Notes Due 2022**  
(ISIN: XS1611005957, Common Code: 161100595)

**US\$188,000,000 4.2% Senior Notes Due 2022**  
(ISIN: XS2282587505, Common Code: 228258750)

**US\$500,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS1937690128, Common Code: 193769012)

**US\$200,000,000 8.0% Senior Notes Due 2022**  
(ISIN: XS2264537684, Common Code: 226453768)

**US\$50,000,000 8.5% Senior Notes Due 2022**  
(ISIN: XS2378476951, Common Code: 237847695)

**US\$225,000,000 7.95% Senior Notes Due 2023 and US\$250,000,000 7.95% Senior Notes Due 2023, consolidated and forming a single series**  
(ISIN: XS1952585112, Common Code: 195258511)

**US\$200,000,000 7.35% Senior Notes Due 2023**  
(ISIN: XS2014471432, Common Code: 201447143)

**US\$460,000,000 6.35% Senior Notes Due 2024**  
(ISIN: XS2196807833, Common Code: 219680783)

**US\$200,000,000 7.95% Senior Notes Due 2024**  
(ISIN: XS2351242461, Common Code: 235124246)

**US\$230,000,000 5.98% Senior Notes Due 2025**  
(ISIN: XS2258822233, Common Code: 225882223)

**US\$350,000,000 6.2% Senior Notes Due 2026**  
(ISIN: XS2233109409, Common Code: 223310940)

<sup>21</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.



**US\$350,000,000 5.88% Senior Notes Due 2027**  
(ISIN: XS2307633565, Common Code: 230763356)

(together the "**Existing Public Notes**")

issued by

**China Aoyuan Group Limited (中國奧園集團股份有限公司) ("China Aoyuan")**

guaranteed by, inter alia,

**Add Hero Holdings Limited ("Add Hero")**

in relation to the schemes of arrangement in respect of China Aoyuan under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**"); and

in relation to the schemes of arrangement in respect of Add Hero under section 179A of the BVI Business Companies Act 2004 (the "**Add Hero BVI Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**Add Hero HK Scheme**") (together, the "**Add Hero Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by China Aoyuan on 7 November 2023, subject to any amendments or modifications made by the Cayman Court and/or HK Court, or the explanatory statement relating to the Add Hero Schemes issued by Add Hero on 7 November 2023, subject to any amendments or modifications made by the BVI Court and/or HK Court (the "**Explanatory Statements**"). Additionally, "**Beneficiaries**" has the meaning given to it in the Holding Period Trust Deed and references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

Beneficiaries, who are Blocked Scheme Creditors, must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Public Notes; and (b) allow them to be allocated their share of the relevant Trust Assets, New Shares and Cash Consideration in accordance with the terms of the Holding Period Trust Deed, the Escrow Agreement, the China Aoyuan Schemes and the Add Hero Schemes. A summary of this Blocked Scheme Creditor Form is set out below.

## **Background**

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.
2. However, Blocked Scheme Creditors are invited to complete this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding.

## Key Dates

The key dates in respect of the China Aoyuan Schemes and the Add Hero Schemes are:

- **Reference Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 30 September 2023.
- **Record Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and the Add Hero Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time (for both the China Aoyuan Schemes and the Add Hero Schemes):** being 5 p.m. Hong Kong time, the equivalent time being 5 a.m. BVI time and 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date (for both the China Aoyuan Schemes and the Add Hero Schemes):** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as China Aoyuan or Add Hero (as applicable) may designate in their sole discretion as notified by China Aoyuan or Add Hero (as applicable) to Scheme Creditors in writing.

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Bar Time in order for a Beneficiary, who is a Blocked Scheme Creditor, to be eligible for its: (i) Blocked Aoyuan New Securities Entitlement; (ii) Blocked Transfer Shares Entitlement; (iii) Blocked Add Hero Notes Entitlement to be transferred to the Escrow Agent to hold on escrow in accordance with the terms of the Escrow Agreement; (iv) Blocked New Shares Entitlement; and (v) Blocked Cash Consideration Entitlement to be allocated to it in accordance with the China Aoyuan Schemes and the Add Hero Schemes.

Each Beneficiary, who is a Blocked Scheme Creditor, should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes; and (iii) the Blocked Cash Consideration Entitlement in accordance with the Add Hero Schemes. If a Beneficiary, who is a Blocked Scheme Creditor, fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed, the Blocked New Shares Entitlement or to the Blocked Cash Consideration Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes shall be extinguished and that Beneficiary shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed, the China Aoyuan Schemes and the Add Hero Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as applicable) and, to the extent that any such remaining Trust Assets transferred to China Aoyuan or Add Hero (as applicable) or to any person nominated by China Aoyuan or Add Hero (as

applicable) is comprised of the Aoyuan New Securities and/or the Add Hero Notes, such Aoyuan New Securities and/or the Add Hero Notes shall thereafter be cancelled forthwith; and (ii) any rights of each Beneficiary in respect of its New Shares Entitlement, Transfer Shares and Cash Consideration Entitlement shall be extinguished.

China Aoyuan or Add Hero (as applicable) shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement, Blocked Transfer Shares Entitlement and Blocked Add Hero Notes Entitlement in accordance with the terms of the Escrow Agreement; (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing; and (iii) pay the Blocked Cash Consideration Entitlement to the Blocked Scheme Creditor by transferring the same to the cash account linked to the securities account specified in the Blocked Scheme Creditor Form, in the event the Escrow Period expires due to the lifting of the Applicable Sanctions in respect of all Blocked Scheme Creditors.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by China Aoyuan, Add Hero or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent China Aoyuan or Add Hero (as applicable) is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statements, the China Aoyuan Schemes, the Add Hero Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) and the Holding Period Trust Deed at Appendix 10 (*Form of Holding Period Trust Deed*) to each Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

With respect to the Blocked Scheme Creditors under the China Aoyuan Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

With respect to the Blocked Scheme Creditors under the Add Hero Schemes, this Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and BVI shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

**Madison Pacific Corporate Services Limited**  
Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)  
Transaction Website: <https://projects.morrowsodali.com/aoyuan>

## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>BLOCKED SCHEME CREDITOR CONFIRMATIONS</b>	<i>This Part 2 must be completed by the Blocked Scheme Creditor</i>

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

**A Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to receive or otherwise be allocated any Blocked Scheme Consideration Entitlement under the Holding Period Trustee, the China Aoyuan Schemes and/or the Add Hero.**

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>22</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>22</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2      Details of Holdings**

Aggregate principal amount of  
Existing Public Notes held as at the  
Record Date:

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Description of sufficient evidence of  
holding (which must be submitted  
with this completed form):

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Accession Code (if applicable)<sup>23</sup>:

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### **SIGNING:**

Blocked Scheme Creditor's  
authorised employee /  
representative name:

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Executed by authorised employee /  
representative for and on behalf of  
Blocked Scheme Creditor:

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Date:

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<sup>23</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive the RSA Fees. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.

## PART 2

### BLOCKED SCHEME CREDITOR CONFIRMATIONS

1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to China Aoyuan, Add Hero and the Blocked Scheme Creditor Tabulation Agent that:
  - (a) it has received the China Aoyuan Schemes and the Add Hero Schemes and the Explanatory Statements and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) it is not, for the purposes of Regulation 60ZZB(3) of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person or a person connected with Russia", or a Sanctioned Scheme Creditor;
  - (c) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (d) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (e) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any person who directly or indirectly owns or controls (in each case, as pursuant to Applicable Sanctions) the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the BVI or the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes or the Add Hero Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as



retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and

- (f) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.
2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Please note if the China Aoyuan Schemes and the Add Hero Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

## SCHEDULE 8

### HOLDING PERIOD BLOCKED SCHEME CREDITOR FORM (EXISTING PRIVATE NOTES)<sup>24</sup>

For use by Blocked Scheme Creditors in respect of

**US\$100,000,000 6.00% guaranteed Bonds Due 2022**  
(ISIN: XS2190931365)

**US\$250,000,000 10.75% guaranteed Bonds Due 2022**  
(ISIN: XS2372877469)

**US\$200,000,000 7.38% guaranteed Bonds Due 2021**  
(ISIN: XS2265803283)

**US\$100,000,000 6.05% guaranteed Bonds Due 2022**  
(ISIN: XS2282540025)

(together the "**Existing Private Notes**")

guaranteed by

the Company

in relation to the Company's schemes of arrangement under section 86 of the Cayman Islands Companies Act (2023 Revision) (the "**China Aoyuan Cayman Scheme**") and under Part 13 of the Companies Ordinance (Cap. 622 of the laws of Hong Kong) (the "**China Aoyuan HK Scheme**") (together, the "**China Aoyuan Schemes**")

Capitalised terms used but not defined in this Blocked Scheme Creditor Form have the meaning given to them in the explanatory statement relating to the China Aoyuan Schemes issued by the Company on 7 November 2023 (the "**Explanatory Statement**"), subject to any amendments or modifications made by the Cayman Court and/or HK Court. Additionally, **Beneficiaries** has the meaning given to it in the Holding Period Trust Deed and references to a document being "**validly completed**" are to a document containing all such information as it is required to contain on its face, and being duly executed and/or delivered in the manner contemplated by that document (including, if applicable, as a deed), and submitted together with or in connection with the taking of any other required procedural steps.

Beneficiaries, who are Blocked Scheme Creditors, must use this Blocked Scheme Creditor Form to: (a) register details of their interest in the Existing Private Notes; and (b) allow them to be allocated their share of the relevant Trust Assets and New Shares, in accordance with the terms of the Holding Period Trust Deed, the Escrow Agreement, the China Aoyuan Schemes and the Add Hero Schemes. A summary of this Blocked Scheme Creditor Form is set out below.

#### Background

1. Blocked Scheme Creditors are Scheme Creditors (other than Sanctioned Scheme Creditors) that are not entitled, able or permitted (whether directly or through a custodian) to submit instructions or settle through the Clearing Systems as a result of any Applicable Sanctions affecting the Scheme Creditor or its custodian, and who do not have a sanctions licence in

<sup>24</sup> The Blocked Scheme Creditor Form cannot be submitted via any online portal. Only Blocked Scheme Creditor Forms submitted to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) will be accepted.

respect of the Applicable Sanctions which would allow that Scheme Creditor to freely deal in the Scheme Consideration Entitlement and submit instructions or settle through the Clearing Systems.

2. However, Blocked Scheme Creditors are invited to complete this Blocked Scheme Creditor Form, together with sufficient evidence to allow the Blocked Scheme Creditor Tabulation Agent to reliably establish their identity, status as a Scheme Creditor and the value of their holding.

### Key Dates

The key dates in respect of the China Aoyuan Schemes are:

- **Reference Date:** being 30 September 2023.
- **Record Date:** being following the close of business and cessation of trading of the Clearing Systems on 20 November 2023.
- **Restructuring Effective Date:** being the date specified as the Restructuring Effective Date in the most recent Completion Notice in accordance with clause 4.2 (*Step 2: Designation of Restructuring Effective Date*) of the China Aoyuan Schemes and which date must occur by the Longstop Date.
- **Holding Period Custody Instruction Deadline:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling five Business Days before the Bar Time.
- **Bar Time:** being 5 p.m. Hong Kong time, the equivalent time being 4 a.m. Cayman Islands time, on the date falling 15 Business Days before the Holding Period Expiry Date.
- **Holding Period Expiry Date:** being the date falling six calendar months after the Restructuring Effective Date (or, if such date is not a Business Day, the next Business Day after that date), or such later date as the Company may designate in its sole discretion as notified by the Company to Scheme Creditors in writing.

A validly completed Blocked Scheme Creditor Form together with any accompanying documents must be submitted to and received by the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) by the Bar Time in order for a Beneficiary, who is a Blocked Scheme Creditor, to be eligible for its (i) Blocked Aoyuan New Securities Entitlement and Blocked Transfer Shares Entitlement to be transferred to the Escrow Agent to hold on escrow in accordance with the terms of the Escrow Agreement and (ii) Blocked New Shares Entitlement to be allocated to it in accordance with the terms of the China Aoyuan Schemes.

Each Beneficiary, who is a Blocked Scheme Creditor, should establish its entitlement to its share of: (i) the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed; and (ii) the Blocked New Shares Entitlement in accordance with the China Aoyuan Schemes. If a Beneficiary fails to establish its entitlement to its share of the relevant Trust Assets in accordance with the terms of the Holding Period Trust Deed or to the Blocked New Shares Entitlement, in each case, by the Bar Time, that Unadmitted Scheme Creditor's rights under the Holding Period Trust Deed and the China Aoyuan Schemes shall be extinguished and that Beneficiary shall not be entitled to receive any Scheme Consideration Entitlement under the Holding Period Trust Deed and the China Aoyuan Schemes.

After the Holding Period Expiry Date: (i) the Holding Period Trustee will, as soon as reasonably practicable, transfer the interest in any remaining Trust Assets held by the Holding Period Trustee to the Company or to any person nominated by the Company and, to the extent that any such remaining Trust Assets transferred to the Company is comprised of the Aoyuan New Securities, such Aoyuan New Securities shall thereafter be cancelled forthwith; and (ii) any rights of each Beneficiary in respect of its New Shares Entitlement shall be extinguished.

The Company shall: (i) put in place a reasonable and fair process for Blocked Scheme Creditors to claim and recover their Blocked Aoyuan New Securities Entitlement and the Transfer Shares Entitlement in accordance with the terms of the Escrow Agreement; and (ii) put in place a reasonable and fair process for Blocked Scheme Creditors to be issued their Blocked New Shares Entitlement in scrip form and allow Blocked Scheme Creditors to collect a physical copy of the share certificate evidencing such Blocked New Shares Entitlement from the Company, located at Units 1901–2, 19th Floor, One Peking, No. 1 Peking Road, Tsimshatsui, Kowloon, Hong Kong or any other location as notified by the Company in writing.

Upon expiry of the Escrow Period, and subject to any action necessary to ensure compliance with Applicable Sanctions by the Company or the Escrow Agent, the rights of Blocked Scheme Creditors under this Scheme and the Escrow Agreement (including any rights of Blocked Scheme Creditors in respect of such Blocked Scheme Consideration Entitlement) shall be extinguished to the extent that the Company is unable to distribute any Blocked Scheme Consideration Entitlement to the Blocked Scheme Creditors in compliance with the Applicable Sanctions.

**You are strongly advised to read the Explanatory Statement, the China Aoyuan Schemes and, in particular, the Solicitation Packet at Appendix 5 (*Solicitation Packet*) and the Holding Period Trust Deed at Appendix 10 (*Form of Holding Period Trust Deed*) to the Explanatory Statement before you complete the Blocked Scheme Creditor Form. The Solicitation Packet contains detailed information on the various options contained in this Blocked Scheme Creditor Form.**

This Blocked Scheme Creditor Form and any non-contractual obligations arising out of or in relation to this Blocked Scheme Creditor Form shall be governed by, and interpreted in accordance with, the laws of Hong Kong. The courts of Hong Kong and the Cayman Islands shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Blocked Scheme Creditor Form. By submission of the Blocked Scheme Creditor Form to the Blocked Scheme Creditor Tabulation Agent via email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com), the Blocked Scheme Creditor irrevocably submits to the jurisdiction of such courts and waives any objections to proceedings in such courts on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.

#### **FOR ASSISTANCE CONTACT**

**Madison Pacific Corporate Services Limited**

Telephone: +852 2599 9500 (Hong Kong)

Email: [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com)

Transaction Website: <https://projects.morrowsodali.com/aoyuan>

## SUMMARY OF THIS BLOCKED SCHEME CREDITOR FORM

The Blocked Scheme Creditor Form must be validly completed and submitted to the Blocked Scheme Creditor Tabulation Agent.

<b><u>PART 1</u></b>	<b>BLOCKED SCHEME CREDITOR AND HOLDINGS DETAILS</b>	<i>This Part 1 must be completed by the Blocked Scheme Creditor</i>
Section 1	Details of the Blocked Scheme Creditor	
Section 2	Details of Holdings	
<b><u>PART 2</u></b>	<b>BLOCKED SCHEME CREDITOR CONFIRMATIONS</b>	<i>This Part 2 must be completed by the Blocked Scheme Creditor</i>

## PART 1

### BLOCKED SCHEME CREDITOR DETAILS

**A Blocked Scheme Creditor Form submitted to and received by the Blocked Scheme Creditor Tabulation Agent that does not include all information requested in this Part 1 will not constitute a validly completed Blocked Scheme Creditor Form and the relevant Blocked Scheme Creditor will not be entitled to receive or otherwise be allocated any Blocked Scheme Consideration Entitlement under the Holding Period Trust and the China Aoyuan Schemes.**

#### **Section 1**      **Details of the Blocked Scheme Creditor**

Type of Blocked Scheme Creditor (select one): PHYSICAL PERSON / ORGANISATION

Full name of Blocked Scheme Creditor: \_\_\_\_\_

Is the Blocked Scheme Creditor an Eligible Person<sup>25</sup> (select one): YES / NO

Contact name: \_\_\_\_\_

Country of residence/headquarters: \_\_\_\_\_

Country of nationality (where the Blocked Scheme Creditor is an individual): \_\_\_\_\_

Full address: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone number (with country code): \_\_\_\_\_

**To be completed if the Blocked Scheme Creditor is an institution/corporation:**

Jurisdiction of incorporation of Blocked Scheme Creditor: \_\_\_\_\_

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<sup>25</sup> "Eligible Person" means a person who can make the securities law confirmations, sanctions law confirmations and undertakings set out in Annex B (*Securities law confirmations, sanctions law confirmations and undertakings*) to Appendix 2 (*Distribution Confirmation Deed*) to this Account Holder Letter.

## **Section 2**      **Details of Holdings**

Aggregate principal amount of Existing Private Notes held as at the Record Date:

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Description of sufficient evidence of holding (which must be submitted with this completed form):

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Accession Code (if applicable)<sup>26</sup>:

---

### **SIGNING:**

Blocked Scheme Creditor's authorised employee / representative name:

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Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

---

Date:

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---

<sup>26</sup> The unique code provided by the Information Agent to a Scheme Creditor that is a Consenting Creditor following its valid accession to the Restructuring Support Agreement and which must be included by such Scheme Creditor in its Account Holder Letter or Blocked Scheme Creditor Form in order to be eligible to receive the RSA Fees. This is applicable for Blocked Scheme Creditors who are Consenting Creditors.

## PART 2

### BLOCKED SCHEME CREDITOR CONFIRMATIONS

1. Each Blocked Scheme Creditor who submits, delivers or procures the delivery of a Blocked Scheme Creditor Form represents, warrants and undertakes to the Company and the Blocked Scheme Creditor Tabulation Agent that:
  - (a) it has received the China Aoyuan Schemes and the Explanatory Statement and has had sufficient opportunity to review all documents contained therein and the documents available on the Transaction Website;
  - (b) it is not, for the purposes of Regulation 60ZZB(3) of The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended), a "designated person or a person connected with Russia", or a Sanctioned Scheme Creditor;
  - (c) all authority conferred or agreed to be conferred pursuant to these representations, warranties and undertakings shall, to the best of its knowledge and to the extent permitted by law, be binding on the successors and assigns of that Blocked Scheme Creditor (in the case of a corporation or institution) or the successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives of that Blocked Scheme Creditor (in the case of a natural person) and shall not be affected by, and shall survive, the insolvency, bankruptcy, dissolution, death or incapacity (as the case may be) of that Blocked Scheme Creditor;
  - (d) the supporting evidence provided with this Blocked Scheme Creditor Form is accurate and true;
  - (e) neither it, nor any of its Subsidiaries, any director or officer of it or its Subsidiaries or, to the knowledge of the Blocked Scheme Creditor, any agent, employee or Affiliate or other person associated with or acting on behalf of the Blocked Scheme Creditor or any of its Subsidiaries is an individual or entity that is: (i) currently the subject or target of any laws, regulations, rules and/or orders relating to economic, financial or trade sanctions, restrictive measures or embargoes administered, enacted, maintained and/or enforced by any Governmental Entity of the United States of America (including by the U.S. Office of Foreign Assets Control ("**OFAC**") or the U.S. Department of State), the European Union, the United Kingdom and the British Overseas Territories (including, for the avoidance of doubt, The Russia (Sanctions) (EU Exit) Regulations 2019, as amended from time to time and as applicable in the Cayman Islands pursuant to The Russia (Sanctions) (Overseas Territories) Order 2020 (as amended)) ("**Applicable Sanctions**"), nor is the Blocked Scheme Creditor or any of its Subsidiaries located, organised or resident in a country, region or territory that is the target of country/region-wide sanctions under any Applicable Sanctions, including, without limitation, the territories of Crimea, Donetsk, Luhansk and Sevastopol, Cuba, Iran, North Korea and Syria (each, a "**Sanctioned Country**"), and as a result of the performance of any transactions contemplated by the China Aoyuan Schemes, to the knowledge of the Blocked Scheme Creditor, would cause a violation of Applicable Sanctions applicable to such person, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660; and



- (f) it will not directly or knowingly indirectly use the proceeds of the Scheme Consideration Entitlement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of any Applicable Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as adviser, investor or otherwise) of any Applicable Sanctions, *provided however* that the foregoing shall not apply if and to the extent that the expression of, or compliance with, or receipt or acceptance of, such confirmation and/or undertaking would breach any provision of (i) Council Regulation EC No. 2271/96, as amended from time to time, or any applicable implementing legislation with respect to Council Regulation EC No. 2271/96, or (ii) Council Regulation (EC) No 2271/1996 as retained in the UK and amended by the Protecting against the Effects of the Extraterritorial Application of Third Country Legislation (Amendment) (EU Exit) Regulations 2020/1660.

2. Any Blocked Scheme Creditor that is unable to give any of the representations in paragraph 1 above should contact the Blocked Scheme Creditor Tabulation Agent directly by email at [Aoyuan@madisonpac.com](mailto:Aoyuan@madisonpac.com) as soon as possible.

**Please note if the China Aoyuan Schemes are sanctioned and become effective, their terms will be binding on all Scheme Creditors, including the Blocked Scheme Creditors, whether or not they have completed this form.**

Executed and delivered on \_\_\_\_\_ by the parties hereto.

Blocked Scheme Creditor's authorised employee / representative name:

\_\_\_\_\_

Executed by authorised employee / representative for and on behalf of Blocked Scheme Creditor:

\_\_\_\_\_

**APPENDIX 11**  
**FORM OF AOYUAN NEW NOTES INDENTURE**  
**[See over page]**

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**China Aoyuan Group Limited**  
and  
**Madison Pacific Trust Limited**  
as Trustee

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**Indenture**

**Dated as of [●], 20[●]**

**5.5% Senior Notes Due 2031**

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## **EXHIBITS**

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Exhibit C Form of Company Authorization Certificate  
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## **SCHEDULES**

Schedule I Chairman Shares  
Schedule II Offshore Real Estate Projects  
Schedule III Project Holdings  
Schedule IV WFOE Investment Properties



INDENTURE, dated as of [●], 20[●], among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands, as the Company, and Madison Pacific Trust Limited, as the Trustee.

### **RECITALS**

WHEREAS, the Company has duly authorized the execution and delivery of this Indenture to provide for the issuance of US\$500,000,000 aggregate principal amount of the Company's 5.5% Senior Notes Due 2031 (the "**Notes**"). All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done, and the Company has done all things necessary to make the Notes, when executed by the Company and authenticated and delivered by or on behalf of the Trustee or the Authenticating Agent and duly issued by the Company, the valid obligations of the Company as hereinafter provided.

WHEREAS, pursuant to the Security Documents (as defined herein), Main Trend Limited (the "**Initial Pledgor**") has agreed to grant a security interest in the Collateral (as defined herein), initially consisting of the Custodian Account and the Healthy Life Shares standing to the credit of that Custodian Account, to the Collateral Agent in order to secure the obligations of the Company under the Notes and this Indenture and of each Subsidiary Guarantor under its Subsidiary Guarantee (if any).

WHEREAS, the Notes, the Aoyuan MCBs (as defined herein), the Aoyuan Perpetuals (as defined herein), 1,000,000,000 newly issued ordinary shares of the Company and 400,000,000 existing ordinary shares of the Company transferred by the Permitted Holders (as defined herein) have together formed the consideration for the restructuring of the material offshore indebtedness of the Company; and the Add Hero Notes (as defined herein) have together formed the consideration for the restructuring of the material offshore indebtedness of Add Hero.

### **THIS INDENTURE WITNESSETH**

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, the parties hereto covenant and agree, for the equal and proportionate benefit of all Holders, as follows:

**ARTICLE 1**  
**DEFINITIONS AND INCORPORATION BY REFERENCE**

Section 1.01. *Definitions*

**“30 Trading Day Volume Weighted Average Price”** means, in respect of a share on any Trading Day, the daily average of the Volume Weighted Average Price of such share over a 30 Trading Day period preceding such trading date.

**“Accreted Value”** with respect to any outstanding Note means, as of any date, an amount equal to the sum of (i) the initial nominal principal amount of such Note issued on the issue date of such Note and (ii) PIK Interest accrued and unpaid up to but excluding such date, less, for the avoidance of doubt, (iii) any amounts of Notes partly redeemed or repurchased in accordance with the terms and conditions of the Notes.

**“Acquired Indebtedness”** means Indebtedness of a Person existing at the time such Person becomes a Restricted Subsidiary or Indebtedness of a Restricted Subsidiary assumed in connection with an Asset Acquisition by such Restricted Subsidiary whether or not Incurred in connection with, or in contemplation of, the Person merging with or into or becoming a Restricted Subsidiary.

**“Add Hero”** means Add Hero Holdings Limited, the direct, wholly-owned subsidiary of the Company.

**“Add Hero Notes”** means the 7.5% U.S. dollar-denominated senior notes due September 30, 2029, the 8.0% U.S. dollar-denominated senior notes due September 30, 2030 and the 8.8% U.S. dollar-denominated senior notes due September 30, 2031 issued by Add Hero concurrently with the Notes.

**“Additional Amounts”** has the meaning assigned to such term in Section 4.21.

**“Affiliate”** means, with respect to any Person, any other Person, whether now or in the future, as of the date on which, or at any time during the period for which, the determination of affiliation is being made (1) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; or (2) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (1) of this definition. 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 direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

**“Affiliate Transaction”** has the meaning assigned to such term in Section 4.14.

**“Agent”** means the Paying Agent, the Authenticating Agent and the Registrar and any successor paying and transfer agent, authenticating agent and registrar.

**“Aoyuan MCBs”** means the zero coupon U.S. dollar-denominated mandatorily convertible bonds due September 30, 2028 issued by the Company concurrently with the Notes.

**“Aoyuan Perpetuals”** means the U.S. dollar-denominated perpetual securities issued by the Company concurrently with the Notes.

**“Approved Brokers”** means Barclays, BofA Securities, Citi, Deutsche Bank, Goldman Sachs, HSBC, JPMorgan, Morgan Stanley, UBS, UOB and any securities brokerage firms of recognized standing approved by the Trustee, in each case, including the affiliates and successors of such firms.

**“Asset Acquisition”** means (1) an investment by the Company or any Restricted Subsidiary in any other Person pursuant to which such Person shall become a Restricted Subsidiary or shall be merged into or consolidated with the Company or any Restricted Subsidiary, or (2) an acquisition by the Company or any Restricted Subsidiary of the property and assets of any Person other than the Company or any Restricted Subsidiary that constitute substantially all of a division or line of business of such Person.

**“Asset Disposition”** means the sale or other disposition by the Company or any Restricted Subsidiary (other than to the Company or another Restricted Subsidiary) of (1) all or substantially all of the Capital Stock of any Restricted Subsidiary; or (2) all or substantially all of the assets that constitute a division or line of business of the Company or any Restricted Subsidiary.

**“Asset Sale”** means any sale, transfer or other disposition (including by way of merger, consolidation or Sale and Leaseback Transaction) in one transaction or a series of related transactions by the Company or any Restricted Subsidiary to any Person other than the Company or any Restricted Subsidiary of any of its property or assets, in each case that is not governed by Section 5.01; *provided* that “Asset Sale” shall not include:

(1) sales, transfers or other dispositions of inventory, receivables and other current assets (including properties under development for sale and completed properties for sale) in the ordinary course of business;

(2) sales, transfers or other dispositions of assets constituting a Permitted Investment or Restricted Payment permitted to be made under Section 4.06;

(3) sales, transfers or other dispositions of assets with a Fair Market Value not in excess of US\$1.0 million (or the Dollar Equivalent thereof) in any transaction or series of related transactions;

(4) any sale, transfer, assignment or other disposition of any property, or equipment that has become damaged, worn out, obsolete or otherwise unsuitable for use in connection with the business of the Company or its Restricted Subsidiaries;

(5) any transfer, assignment or other disposition deemed to occur in connection with creating or granting any Permitted Lien;

(6) sales or other dispositions of cash or Temporary Cash Investments;

(7) any issuance, sale or distribution of Capital Stock in, or any Indebtedness or other securities of, any Unrestricted Subsidiary;

(8) any issuance, sale or distribution of Capital Stock in a Restricted Subsidiary;

(9) sales, transfers or other dispositions of the Project Holdings, the Offshore Real Estate Projects and the WFOE Investment Properties; or

(10) a Healthy Life Sale.

**“Attributable Indebtedness”** means, in respect of a Sale and Leaseback Transaction, at the time of determination, the present value, discounted at the interest rate implicit in such Sale and Leaseback Transaction, of the total obligations of the lessee for rental payments during the remaining term of the lease in such Sale and Leaseback Transaction.

**“Authenticating Agent”** refers to a Person engaged to authenticate the Notes instead of the Trustee.

**“Authorization Certificate”** has the meaning assigned to such term in Section 2.02(a).

**“Authorized Officer”** means, with respect to the Company, a Subsidiary Guarantor or a JV Subsidiary Guarantor, as applicable, any one person, officer or director, who, in each case, is authorized to represent the Company, such Subsidiary Guarantor or such JV Subsidiary Guarantor, as the case may be.

**“Bank Deposit Secured Indebtedness”** means Indebtedness of the Company or any Restricted Subsidiary that is (i) secured by cash deposits or bank accounts or other assets of the Company or a Restricted Subsidiary and/or (ii) Guaranteed by a Guarantee, letter of credit or similar instruments from or arranged by the Company or a Restricted Subsidiary and is used by the Company and its Restricted Subsidiaries to in effect exchange currency or remit money onshore or offshore.

**“Beneficial Holder”** means (1) any accountholder with entitlement to a Global Note (as evidenced by any certificate, report or any other information provided by the relevant clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to a Global Note) and having the rights and entitlements contemplated in Section 2.04(e) in relation to an exchange of such entitlement into Certificated Notes, (2) any Person holding Certificated Notes after having exchanged its entitlement to a Global Note for such Certificated Notes as described in Section 2.04 or (3) any (i) accountholder with entitlement to a Global Note or (ii) where such accountholder holds any such entitlement to a Global Note on behalf of another Person (directly or indirectly), such other Person (in either case as evidenced by (x) any certificate, report or any other information provided by the relevant clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to a Global Note and (y) in the case of (ii) only, the records of the accountholder). For the avoidance of doubt, any action taken, or omitted by, such Beneficial Holder shall be construed in accordance with, and subject to, Article 6 as if it were the Holder.

**“Board of Directors”** means the board of directors elected or appointed by the stockholders of the Company to manage the business of the Company or any committee of such board duly authorized to take the action purported to be taken by such committee.

**“Board Resolution”** means any resolution of the Board of Directors taking an action which it is authorized to take and adopted at a meeting duly called and held at which a quorum of disinterested members (if so required) was present and acting throughout or adopted by written resolution executed by every member of the Board of Directors.

**“Business Day”** means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York or Hong Kong (or in any other place in

which payments on the Notes are to be made) are authorized by law or governmental regulation to close.

**“Capitalized Lease”** means, with respect to any Person, any lease of any property (whether real, personal or mixed) which, in conformity with GAAP, is required to be capitalized on the balance sheet of such Person.

**“Capitalized Lease Obligations”** means the discounted present value of the rental obligations under a Capitalized Lease.

**“Capital Stock”** means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Original Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

**“Cash Interest”** has the meaning assigned to such term in Section 2.04(b).

**“Certificated Notes”** means the Notes (with any Subsidiary Guarantees and/or JV Subsidiary Guarantees, if applicable, endorsed thereon), in certificated, registered form, executed and delivered by the Company (and each Subsidiary Guarantor and/or JV Subsidiary Guarantor, if applicable) and authenticated by or on behalf of the Trustee or the Authenticating Agent in exchange for the Global Notes, upon the occurrence of the events set forth in the second sentence of Section 2.04(e).

**“Chairman Share Charge”** means the share charge that evidences and creates a security interest in favor of the collateral agent, the trustees and/or any holders of the Add Hero Notes in the Chairman Shares.

**“Chairman Shares”** means the shares held by Mr. Guo Zi Wen as set forth in Schedule I, excluding any Chairman’s Healthy Life Shares that are sold in accordance with the indentures governing the Add Hero Notes.

**“Chairman Shares Pledgors”** means Ace Rise Profits Limited and Joy Pacific Group Limited.

**“Chairman’s Aoyuan Shares”** has the meaning assigned to such term in Schedule I.

**“Chairman’s Healthy Life Shares”** has the meaning assigned to such term in Schedule I.

**“Change of Control”** means the occurrence of one or more of the following events:

(1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries, taken as a whole, to any “person” (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders;

(2) the Company consolidates or amalgamates with, or merges with or into, any Person (other than one or more Permitted Holders), or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company or such other Person is converted into or exchanged for cash, securities or

other property, other than any such transaction where the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for (or continues as) Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) and in substantially the same proportion as before the transaction;

(3) the Permitted Holders are the beneficial owners of less than 15 % of the total voting power of the Voting Stock of the Company;

(4) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the Voting Stock of the Company greater than such total voting power held beneficially by the Permitted Holders;

(5) individuals who on the Original Issue Date constituted the Board of Directors (together with any new directors whose election by the Board of Directors was approved by a vote of at least two thirds of the members of the Board of Directors then in office who were members of the Board of Directors on the Original Issue Date or whose election was previously so approved) cease for any reason to constitute a majority of the members of the Board of Directors then in office; or

(6) the adoption of a plan relating to the liquidation or dissolution of the Company.

“**Change of Control Offer**” has the meaning assigned to such term in Section 4.12.

“**Clearstream**” means Clearstream Banking S.A.

“**Collateral**” means the rights, property and assets securing, or purported to be securing, directly or indirectly, the obligations of the Company and the Subsidiary Guarantors (if any) under the Notes, this Indenture and the Subsidiary Guarantees (if any) pursuant to the Security Documents, and shall initially consist of the Custodian Account and the Healthy Life Shares standing to the credit of that Custodian Account.

“**Collateral Agent**” means Madison Pacific Trust Limited, as collateral agent with respect to the Collateral under the Security Documents, or its permitted successors or assigns.

“**Collateral Agency Agreement**” has the meaning assigned to such term in Section 4.23(a).

“**Commodity Hedging Agreement**” means any spot, forward or option commodity price protection agreements or other similar agreement or arrangement designed to protect against fluctuations in commodity prices.

“**Common Depositary**” has the meaning assigned to such term in Section 2.04(c).

“**Common Stock**” means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding at the date of this Indenture, and includes, without limitation, all series and classes of such common stock or ordinary shares.

“**Company**” means the party named as such in the first paragraph of this Indenture, and any successor obligor on the Notes, and not any of its Subsidiaries.

**“Consolidated EBITDA”** means, for any period, Consolidated Net Income for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income without duplication:

- (1) Consolidated Interest Expense;
- (2) income taxes (other than income taxes attributable to extraordinary and non-recurring gains (or losses) or sales of assets not included in the calculation of Consolidated Net Income); and
- (3) depreciation expense, amortization expense and all other non-cash items reducing Consolidated Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period and other than losses on Investment Properties arising from fair value adjustments made in conformity with GAAP), less all non-cash items increasing Consolidated Net Income (other than accrual of revenue in the ordinary course of business, and other than gains on Investment Properties arising from fair value adjustments made in conformity with GAAP),

all as determined on a consolidated basis for the Company and its Restricted Subsidiaries in conformity with GAAP; *provided* that (1) if any Restricted Subsidiary is not a Wholly Owned Restricted Subsidiary, Consolidated EBITDA shall be reduced (to the extent not otherwise reduced in accordance with GAAP) by an amount equal to (A) the amount of the Consolidated Net Income attributable to such Restricted Subsidiary multiplied by (B) the percentage ownership interest in the income of such Restricted Subsidiary not owned on the last day of such period by the Company or any Restricted Subsidiary and (2) in the case of any PRC CJV (consolidated in accordance with GAAP), Consolidated EBITDA shall be reduced (to the extent not already reduced in accordance with GAAP) by any payments, distributions or amounts (including the Fair Market Value of any non-cash payments, distributions or amounts) required to be made or paid by such PRC CJV to the PRC CJV Partner, or to which the PRC CJV Partner otherwise has a right or is entitled, pursuant to the joint venture agreement governing such PRC CJV.

**“Consolidated Fixed Charges”** means, for any period, the sum (without duplication) of (1) Consolidated Interest Expense for such period and (2) all cash and non-cash dividends paid, declared, accrued or accumulated during such period on any Disqualified Stock or Preferred Stock of the Company or any Restricted Subsidiary held by Persons other than the Company or any Wholly Owned Restricted Subsidiary, except for dividends payable in the Company’s Capital Stock (other than Disqualified Stock) or paid to the Company or a Wholly Owned Restricted Subsidiary.

**“Consolidated Interest Expense”** means, for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with GAAP for such period of the Company and its Restricted Subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred, accrued or payable during such period by the Company and its Restricted Subsidiaries, without duplication:

- (1) interest expense attributable to Capitalized Lease Obligations;
- (2) amortization of debt issuance costs and original issue discount expense and non-cash interest payments in respect of any Indebtedness;
- (3) the interest portion of any deferred payment obligation;

(4) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any Indebtedness;

(5) the net costs associated with Hedging Obligations (including the amortization of fees);

(6) interest accruing on Indebtedness of any other Person (other than the Company or any Restricted Subsidiary) to the extent Guaranteed by or secured by a Lien on assets of the Company or any Restricted Subsidiary (other than Pre-Registration Mortgage Guarantees) to the extent that such interest has become payable by the Company or any Restricted Subsidiary; *provided* that, in the case of Indebtedness secured by a Lien on assets, the amount of such Indebtedness will be the lesser of (a) the fair market value of such assets at such date of determination and (b) the amount of such Indebtedness of such other Person; and

(7) any capitalized interest, *provided* that interest expense attributable to interest on any Indebtedness bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect, on the date of determination had been the applicable rate for the entire relevant period, in each case, minus interest income for such period.

**“Consolidated Net Income”** means, with respect to any specified Person for any period, the aggregate net income (or loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in conformity with GAAP; *provided* that the following items shall be excluded in computing Consolidated Net Income (without duplication):

(1) the net income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting except that:

(a) subject to the exclusion contained in clause (5) below, the Company’s equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below); and

(b) the Company’s equity in a net loss of any such Person for such period shall be included in determining such Consolidated Net Income to the extent funded with cash or other assets of the Company or Restricted Subsidiaries;

(2) the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or is merged into or consolidated with the Company or any Restricted Subsidiary or all or substantially all of the property and assets of such Person are acquired by the Company or any Restricted Subsidiary;

(3) the net income (but not loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other similar constitutive documents, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary;

(4) the cumulative effect of a change in accounting principles;



(5) any net after-tax gains realized on the sale or other disposition of (a) any property or assets of the Company or any Restricted Subsidiary which is not sold in the ordinary course of its business or (b) any Capital Stock of any Person (including any gains by the Company realized on sales of Capital Stock of the Company or any Restricted Subsidiary);

(6) any translation gains and losses due solely to fluctuations in currency values and related tax effects; and

(7) any net after-tax extraordinary or non-recurring gains,

provided that (A) solely for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains derived from direct or indirect sale by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment Property arising from the difference between the current book value and the cash sale price shall be added to Consolidated Net Income; (B) for purposes of the Consolidated Net Income calculation (but not for purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio) any net after tax gains derived from direct or indirect sale by the Company or any Restricted Subsidiary of (i) Capital Stock of a Restricted Subsidiary primarily engaged in the holding of Investment Property or (ii) an interest in any Investment Property arising from the difference between the original cost basis and the cash sale price shall be added to Consolidated Net Income to the extent not already included in the net income for such period as determined in conformity with GAAP and Consolidated Net Income; and (C) solely for the purposes of calculating Consolidated EBITDA and the Fixed Charge Coverage Ratio, any net after tax gains on Investment Properties arising from fair value adjustments made in conformity with GAAP shall be added to Consolidated Net Income.

**“Consolidated Net Worth”** means, at any date of determination, stockholders’ equity as set forth on the most recently available quarterly, semi-annual or annual consolidated financial statements (which may be internal consolidated financial statements) of the Company prepared in accordance with GAAP (which the Company shall use its reasonable best efforts to compile in a timely manner), plus, to the extent not included, any Preferred Stock of the Company, less any amounts attributable to Disqualified Stock or any equity security convertible into or exchangeable for Indebtedness, the cost of treasury stock and the principal amount of any promissory notes receivable from the sale of the Capital Stock of the Company or any Restricted Subsidiary, each item to be determined in conformity with GAAP.

**“Contractor Guarantees”** means Guarantees by the Company or any Restricted Subsidiary of Indebtedness of any contractor, builder or other similar Person engaged by the Company or such Restricted Subsidiary in connection with the development, construction or improvement of real or personal property or equipment to be used in a Permitted Business by the Company or any Restricted Subsidiary in the ordinary course of business, which Indebtedness was Incurred by such contractor, builder or other similar Person to finance the cost of such development, construction or improvement.

**“Corporate Trust Office”** means the office of the Trustee at which the corporate trust business of the Trustee is principally administered, which at the date of this Indenture is located at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong; Attention: Ms. Cassandra Ho; Fax: +852 2599 9501.

**“Credit Facilities”** means one or more debt facilities or commercial paper facilities or indentures or trust deeds or note purchase agreements or Capitalized Lease Obligations or other indebtedness, in each case, with banks or other lenders, institutions or investors providing for revolving credit loans, term loans, letters of credit, bonds, notes, debentures or other corporate debt instruments or other financing including Indebtedness Incurred by the Company or any Restricted Subsidiary constituting a guarantee of Indebtedness of, or securing the Indebtedness of, any Person (other than the Company or a Restricted Subsidiary) by the Company or such Restricted Subsidiary, in each case, including all agreements, instruments and documents executed and delivered pursuant to or in connection with any of the foregoing, including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original banks, lenders, institutions or investors or other banks, lenders, institutions or investors or otherwise, and whether provided under any original Credit Facility or one or more other credit agreements, indentures, financing agreements or other Credit Facilities or otherwise). Without limiting the generality of the foregoing, the term “Credit Facility” shall include any agreement (1) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (2) adding Subsidiaries as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

**“Currency Agreement”** means any foreign exchange forward contract, currency swap agreement or other similar agreement or arrangement designed to protect against fluctuations in foreign exchange rates.

**“Current Notes Trading Price”** means at any date of determination, the arithmetic average of the bid price per US\$1.00 of Notes published by or derived from five Approved Brokers over the past 15 Trading Days ending on the Trading Day immediately preceding such date of determination.

**“Custodian Account”** means the cash and securities account with account number 5465060545 held in the name of the Initial Pledgor at Bank of Communications (Hong Kong) Limited, as may be re-numbered or re-designated from time to time.

**“Default”** means any event that is, or after notice or passage of time or both would be, an Event of Default.

**“Disqualified Stock”** means any class or series of Capital Stock of any Person that by its terms or otherwise is (1) required to be redeemed prior to the Stated Maturity of the Notes, (2) redeemable at the option of the holder of such class or series of Capital Stock at any time prior to the Stated Maturity of the Notes or (3) convertible into or exchangeable for Capital Stock referred to in clause (1) or (2) above or Indebtedness having a scheduled maturity prior to the Stated Maturity of the Notes; *provided* that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an “asset sale” or “change of control” occurring prior to the Stated Maturity of the Notes shall not constitute Disqualified Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are no more favorable to the holders of such

Capital Stock than the provisions contained in Section 4.12 and Section 4.13 and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Company's repurchase of the Notes as are required to be repurchased pursuant to Section 4.12 and Section 4.13.

**"Dollar Equivalent"** means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

**"Entrusted Loans"** means borrowings by a Non-Guarantor Subsidiary from the Company or another Restricted Subsidiary (whether directly or through or facilitated by a bank or other financial institution), *provided* that such borrowings are not reflected on the consolidated balance sheet of the Company.

**"Euroclear"** means Euroclear Bank SA/NV.

**"Event of Default"** has the meaning assigned to such term in Section 6.01.

**"Excess Proceeds"** has the meaning assigned to such term in Section 4.13(c).

**"Exchange Act"** means the United States Securities Exchange Act of 1934, as amended.

**"Exempted Subsidiary"** means any Restricted Subsidiary organized in any jurisdiction other than the PRC that is prohibited by applicable law or regulation to provide a Subsidiary Guarantee or a JV Subsidiary Guarantee or create any Lien over its Capital Stock to secure the Notes; provided that (x) the Company shall have failed, upon using its best efforts, to obtain any required governmental or regulatory approval or registration with respect to such Subsidiary Guarantee, JV Subsidiary Guarantee or Lien over its Capital Stock, to the extent that such approval or registration is available under any applicable law or regulation and (y) such Restricted Subsidiary shall cease to be an Exempted Subsidiary immediately upon such prohibition ceasing to be in force or apply to such Restricted Subsidiary or upon the Company having obtained such applicable approval or registration.

**"Existing Onshore Indebtedness"** means any Indebtedness outstanding on the Original Issue Date of any Principal Subsidiary incorporated in the PRC; *provided, however*, that any such Indebtedness for which the relevant Principal Subsidiary has after the Original Issue Date cured, acquired waivers in respect of or otherwise resolved any continuing defaults or events of default shall cease to constitute Existing Onshore Indebtedness.

**"Existing Unrestricted Subsidiaries"** means Star Image Development Limited, Able Expert Investments Limited, Asialink Development Limited, Blooming Century Investments Limited, Best Extreme Limited, Good Hero Holdings Limited, Goldtech Investment Limited, Great Luxuriant Global Limited, Great Galaxy Limited, Metro Mind Limited, Main Vision Enterprises Limited, Pioneer Way Group Limited, Park Success Group Limited, Ever First Consultants Limited, Asia Dynasty Enterprises Limited, Worldwide Linkage Limited, East Global Enterprises Limited, Joint Tact Limited, Grace Venture Limited, Speedy Royal Limited, Glorious Beauty Holdings Limited, Treasure Bridge Holdings Limited, Good Wise Group Limited, Trillion Success Holdings

Limited and Phoenix Virtue Limited and each of their respective Subsidiaries (whether now or in the future).

**“Fair Market Value”** means the price that would be paid in an arm’s-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors, whose determination shall be conclusive if evidenced by a Board Resolution, except in the case of a determination of Fair Market Value of total assets for the purposes of determining a JV Entitlement Amount, in which case such price shall be determined by an accounting, appraisal or investment banking firm of recognized standing appointed by the Company.

**“Final Maturity Date”** means September 30, 2031.

**“Fitch”** means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

**“Fixed Charge Coverage Ratio”** means, on any Transaction Date, the ratio of (1) the aggregate amount of Consolidated EBITDA for the then most recent four fiscal quarter periods prior to such Transaction Date for which consolidated financial statements of the Company (which the Company shall use its reasonable best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements (the **“Four Quarter Period”**)) to (2) the aggregate Consolidated Fixed Charges during such Four Quarter Period. In making the foregoing calculation:

(A) pro forma effect shall be given to any Indebtedness or Preferred Stock Incurred, repaid or redeemed during the period (the **“Reference Period”**) commencing on and including the first day of the Four Quarter Period and ending on and including the Transaction Date (other than Indebtedness Incurred or repaid under a revolving credit or similar arrangement (or under any predecessor revolving credit or similar arrangement) in effect on the last day of such Four Quarter Period), in each case as if such Indebtedness or Preferred Stock had been Incurred, repaid or redeemed on the first day of such Reference Period; *provided* that, in the event of any such repayment or redemption, Consolidated EBITDA for such Four Quarter Period shall not include any interest income actually earned during such Four Quarter Period in respect of the funds used to repay or redeem such Indebtedness or Preferred Stock;

(B) Consolidated Interest Expense attributable to interest on any Indebtedness (whether existing or being Incurred) computed on a pro forma basis and bearing a floating interest rate shall be computed as if the rate in effect on the Transaction Date (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months or, if shorter, at least equal to the remaining term of such Indebtedness) had been the applicable rate for the entire period;

(C) pro forma effect shall be given to the creation, designation or redesignation of Restricted Subsidiaries and Unrestricted Subsidiaries as if such creation, designation or redesignation had occurred on the first day of such Reference Period;

(D) pro forma effect shall be given to Asset Dispositions and Asset Acquisitions (including giving pro forma effect to the application of proceeds of any Asset Disposition) that occur during such Reference Period as if they had occurred and such proceeds had been applied on the first day of such Reference Period; and

(E) pro forma effect shall be given to asset dispositions and asset acquisitions (including giving pro forma effect to the application of proceeds of any asset disposition) that have been made by any Person that has become a Restricted Subsidiary or has been merged with or into the Company or any Restricted Subsidiary during such Reference Period and that would have constituted Asset Dispositions or Asset Acquisitions had such transactions occurred when such Person was a Restricted Subsidiary as if such asset dispositions or asset acquisitions were Asset Dispositions or Asset Acquisitions that occurred on the first day of such Reference Period;

*provided* that to the extent that clause (D) or (E) of this definition requires that pro forma effect be given to an Asset Acquisition or Asset Disposition (or asset acquisition or asset disposition), such pro forma calculation shall be based upon the four full fiscal quarter periods immediately preceding the Transaction Date of the Person, or division or line of business of the Person, that is acquired or disposed for which financial information is available.

**“Future Restricted Subsidiary”** has the meaning assigned to such term in Section 10.02.

**“GAAP”** means International Financial Reporting Standards, formulated by the International Accounting Standards Board, as in effect from time to time. All ratios and computations contained or referred to in this Indenture shall be computed in conformity with GAAP applied on a consistent basis.

**“General WFOE”** means [●], a company incorporated with limited liability under the laws of the PRC and a wholly owned Subsidiary of the URP SPV.

**“Global Note Legend”** has the meaning assigned to such term in Section 2.04(d).

**“Global Notes”** has the meaning assigned to such term in Section 2.04.

**“Group”** means the Company and any of its Subsidiaries.

**“Guarantee”** means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (2) entered into for purposes of assuring in any other manner the obligee of such Indebtedness or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), *provided* that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business. The term “Guarantee” used as a verb has a corresponding meaning.

**“HASE Facilities”** means the loan agreement dated 4 July 2018 and the facility letters dated 12 November 2018, 8 November 2019, 23 June 2020, 10 December 2020 and 12 August 2021 entered into between, among others, Fine Wisdom Global Limited as borrower, the Company as guarantor and Hang Seng Bank Limited as lender (each as amended, modified, varied and/or supplemented from time to time).

**“HASE Facilities Shortfall”** means (1) the aggregate outstanding amount of the HASE Facilities plus premiums, accrued interest, fees and expenses directly related thereto, net of:

(A) to the extent that the Kwai Chung Project has been sold, the Kwai Chung Net Proceeds, or

(B) to the extent that the Kwai Chung Project has not been sold, the equity valuation amount of Kwai Chung Project attributable to the Group based on an independent valuation conducted by an expert of recognized international standing within three months of the incurrence of the Permitted Refinancing Indebtedness.

**“Healthy Life”** means Aoyuan Healthy Life Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

**“Healthy Life Net Proceeds”** means with respect to (1) any dividend or distribution on or with respect to the Healthy Life Shares, or (2) any Healthy Life Sale, the cash proceeds of such dividend, distribution or sale, as the case may be, received by the Group (without duplication), net of:

(A) brokerage commissions and other reasonable and properly incurred fees and expenses (including without limitation fees and expenses of professional parties) incurred in connection with a Healthy Life Sale and the application of the proceeds of such sale; and

(B) provisions for all taxes and other regulatory fees or charges in connection with such dividend, distribution or sale that are actually paid or to the extent that the Company reasonably expects (based on advice from its professional advisers) such taxes, fees or charges to be payable in connection with such dividend, distribution or sale.

**“Healthy Life Sale”** means

(A) the sale, transfer or disposal of all or a portion of the Healthy Life Shares by the relevant member of the Group; and/or

(B) the sale or transfer of all or a portion of the Healthy Life Shares by any member of the Group by way of selling or transferring all of the shares in a company that directly or indirectly holds such Healthy Life Shares;

in each case of (A) and (B), other than any such sale, transfer or disposal to the Company or to another Subsidiary.

**“Healthy Life Security Agreement”** means the security agreement that creates a security interest in favor of the Collateral Agent in the Custodian Account and the Healthy Life Shares standing to the credit of that Custodian Account.

**“Healthy Life Shares”** means the ordinary shares of Healthy Life, which, as of the date of this Indenture, comprised [179,226,250] ordinary shares of Healthy Life held by Main Trend Limited representing [24.7]% of the total number of ordinary shares of Healthy Life and all such shares are standing to the credit of the Custodian Account.

**“Hedging Obligation”** of any Person means the obligations of such Person pursuant to any Commodity Hedging Agreement, Currency Agreement or Interest Rate Agreement.

**“Holder”** means the Person in whose name a Note is registered in the Register.

“**Hong Kong**” or “**HK**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**ICA WFOE**” means [●], a company incorporated with limited liability under the laws of the PRC and a wholly owned Subsidiary of the URP SPV.

“**Incur**” means, with respect to any Indebtedness or Capital Stock, to incur, create, issue, assume, Guarantee or otherwise become liable for or with respect to, or become responsible for, the payment of, contingently or otherwise, such Indebtedness or Capital Stock; *provided* that (1) any Indebtedness and Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (or fails to meet the qualifications necessary to remain an Unrestricted Subsidiary) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and (2) the accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends in the form of additional shares of Preferred Stock or Disqualified Stock shall not be considered an Incurrence of Indebtedness. The terms “Incurrence,” “Incurred” and “Incurring” have meanings correlative with the foregoing.

“**Indebtedness**” means, with respect to any Person at any date of determination (without duplication):

- (1) all indebtedness of such Person for borrowed money;
- (2) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (3) all obligations of such Person in respect of letters of credit, bankers’ acceptances or other similar instruments;
- (4) all obligations of such Person to pay the deferred and unpaid purchase price of property or services, except Trade Payables;
- (5) all Capitalized Lease Obligations and Attributable Indebtedness;
- (6) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided* that the amount of such Indebtedness shall be the lesser of (a) the Fair Market Value of such asset at such date of determination and (b) the amount of such Indebtedness;
- (7) all Indebtedness of other Persons Guaranteed by such Person to the extent such Indebtedness is Guaranteed by such Person;
- (8) to the extent not otherwise included in this definition, Hedging Obligations; and
- (9) all Disqualified Stock issued by such Person valued at the greater of its voluntary or involuntary liquidation preference and its maximum fixed repurchase price plus accrued dividends.

Notwithstanding the foregoing, Indebtedness shall not include any capital commitments, deferred payment obligations, pre-sale receipts in advance from customers or similar obligations Incurred in the ordinary course of business in connection with the acquisition, development, construction or improvement of real or personal property (including land use rights) to be used in a

Permitted Business or Entrusted Loans; *provided* that each such Indebtedness is not reflected on the consolidated balance sheet of the Company as borrowings or indebtedness (contingent obligations and commitments or similar obligations referred to in a footnote to financial statements and not otherwise reflected as borrowings or indebtedness on the consolidated balance sheet will not be deemed to be reflected on such balance sheet).

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with GAAP,

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to pre-fund the payment of the interest on such Indebtedness shall not be deemed to be “Indebtedness” so long as such money is held to secure the payment of such interest, and

(C) the amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable by such Person if such Hedging Obligation is terminated at the time of determination.

“**Indenture**” means this indenture (including all Exhibits hereto) as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

“**Independent Third Party**” means any Person that is not an Affiliate of the Company.

“**Initial Non-Guarantor Subsidiaries**” means the Restricted Subsidiaries organized outside the PRC which are not Exempted Subsidiaries or Listed Subsidiaries on the Original Issue Date.

“**Initial Pledgor**” means Main Trend Limited.

“**Intercompany Claims**” means any Indebtedness, obligation, liability, balance or claim owed by the Company to any Subsidiary.

“**Interest Accrual Basis**” means the total Accreted Value of the Notes outstanding on the applicable calculation date.

“**Interest Payment Date**” means March 30 and September 30 of each year, commencing on March 30, 2024 (in respect of the period from and including September 30, 2023 to but excluding March 30, 2024).

“**Interest Rate Agreement**” means any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement, option or future contract or other similar agreement or arrangement designed to protect against fluctuations in interest rates.

“**Interest Record Date**” has the meaning assigned to such term in the Form of Note attached hereto as Exhibit A and Exhibit B.

“**Investment**” means:



- (1) any direct or indirect advance, loan or other extension of credit to another Person;
- (2) any capital contribution to another Person (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others);
- (3) any purchase or acquisition of Capital Stock, Indebtedness, bonds, notes, debentures or other similar instruments or securities issued by another Person; or
- (4) any Guarantee of any obligation of another Person to the extent such obligation is outstanding and to the extent Guaranteed by such Person.

For the purposes of the provisions of Section 4.06 and Section 4.18: (1) the Company will be deemed to have made an Investment in a Person that is not a Restricted Subsidiary in an amount equal to the Company's proportional interest in the Fair Market Value of the assets (net of liabilities owed to any Person other than the Company or a Restricted Subsidiary and that are not Guaranteed by the Company or a Restricted Subsidiary) of a Restricted Subsidiary that is designated an Unrestricted Subsidiary or that otherwise ceases to be a Restricted Subsidiary at the time of such designation or cessation, and (2) any property transferred to or from any Person shall be valued at its Fair Market Value at the time of such transfer, as determined in good faith by the Board of Directors.

**"Investment Grade"** means a rating of "AAA", "AA", "A" or "BBB", as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest Rating Categories, by S&P or any of its successors or assigns or a rating of "Aaa", or "Aa", "A" or "Baa", as modified by a "1", "2" or "3" indication, or an equivalent rating representing one of the four highest Rating Categories, by Moody's, or any of its successors or assigns, or a rating of "AAA", "AA", "A", "BBB", as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest Rating Categories, by Fitch or any of its successors or assigns, or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for S&P, Moody's or Fitch or two or three of them, as the case may be.

**"Investment Property"** means any property that is owned and held by any Restricted Subsidiary incorporated under the laws of the PRC primarily for rental yields or for capital appreciation or both, or any hotel owned by the Company or any Restricted Subsidiary from which the Company or any Restricted Subsidiary derives or expects to derive operating income.

**"JV Entitlement Amount"** means, with respect to any JV Subsidiary Guarantor and its Subsidiaries, an amount that is equal to the product of (i) the Fair Market Value of the total assets of such JV Subsidiary Guarantor and its Subsidiaries, on a consolidated basis (without deducting any Indebtedness or other liabilities of such JV Subsidiary Guarantor and its subsidiaries) as of the date of the last fiscal year end of the Company; and (ii) a percentage equal to the direct equity ownership percentage of the Company and/or its Restricted Subsidiaries in the Capital Stock of such JV Subsidiary Guarantor and its Subsidiaries.

**"JV Subsidiary Guarantee"** means a Guarantee executed by a JV Subsidiary Guarantor pursuant to Article 11, in substantially the same form as Exhibit J.

**"JV Subsidiary Guarantor"** means a Restricted Subsidiary that executes a JV Subsidiary Guarantee.

**“Kwai Chung Project”** means the real estate project in relation to Kwai Chung Town Lot No. 46.

**“Kwai Chung Net Proceeds”** means the cash proceeds of sale of the Kwai Chung Project received by the Group (without duplication), net of:

(A) brokerage commissions and other reasonable and properly incurred fees and expenses (including without limitation fees and expenses of professional parties) incurred in connection with such sale and the application of the proceeds of such sale; and

(B) provisions for all taxes and other regulatory fees or charges in connection with such sale that are actually paid or to the extent that the Company reasonably expects (based on advice from its professional advisers) such taxes, fees or charges to be payable in connection with such sale.

**“Lien”** means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind whether or not filed, recorded or otherwise perfected under applicable law (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind).

**“Listed Subsidiaries”** means any Restricted Subsidiary any class of Voting Stock of which is listed on a Qualifying Exchange and any Restricted Subsidiary of a Listed Subsidiary; provided that such Restricted Subsidiary shall cease to be a Listed Subsidiary immediately upon, as applicable, (x) the Voting Stock of such Restricted Subsidiary ceasing to be listed on a Qualifying Exchange, or (y) such Restricted Subsidiary ceasing to be a Restricted Subsidiary of a Listed Subsidiary.

**“Macao”** means the Macao Special Administrative Region of the People’s Republic of China.

**“Minimum Purchase Price”** means a price per US\$1.00 of Notes to be repurchased equal to the lower of (A) the Current Notes Trading Price *plus* a premium of 10% *plus* accrued and unpaid interest, if any, on such Notes to be repurchased up to but excluding the relevant repurchase date and (B) 100% of the Accreted Value of such Notes to be repurchased *plus* accrued and unpaid interest, if any, on such Notes to be repurchased up to but excluding the relevant repurchase date.

**“Minority Joint Venture”** means any corporation, association or other business entity that is accounted for by the equity method of accounting in accordance with GAAP by the Company or a Restricted Subsidiary and primarily engaged in the Permitted Businesses, and such Minority Joint Venture’s Subsidiaries.

**“Moody’s”** means Moody’s Investors Service, Inc. and successors.

**“Net Cash Proceeds”** means:

(1) with respect to any Asset Sale, the proceeds of such Asset Sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments and proceeds from the conversion of other property

received when converted to cash or Temporary Cash Investments, net of the direct costs related to such Asset Sale, as applicable, including:

(i) brokerage commissions and other reasonable and properly incurred fees and expenses (including fees and expenses of counsel and investment banks) incurred in connection with such Asset Sale;

(ii) provisions for all taxes actually paid or which the Company reasonably expects to be payable as a result of such Asset Sale without regard to the consolidated results of operations of the Company and its Restricted Subsidiaries, taken as a whole; and

(iii) payments made to repay Indebtedness or any other obligation outstanding at the time of such Asset Sale that either (A) is secured by a Lien on the property or assets sold or (B) is required to be paid as a result of such sale; and

(2) with respect to any issuance or sale of Capital Stock, the proceeds of such issuance or sale in the form of cash or Temporary Cash Investments, including payments in respect of deferred payment obligations (to the extent corresponding to the principal, but not interest, component thereof) when received in the form of cash or Temporary Cash Investments and proceeds from the conversion of other property received when converted to cash or Temporary Cash Investments, net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

**"New Non-Guarantor Subsidiaries"** has the meaning assigned such term in Section 11.09.

**"Non-Guarantor Subsidiaries"** has the meaning assigned such term in Section 11.09.

**"Notes"** has the meaning assigned to such term in the Recitals of this Indenture.

**"Offer to Purchase"** means an offer to purchase the Notes by the Company from the Holders commenced by mailing a notice by first class mail, postage prepaid, to the Trustee, the Paying Agent and each Holder at its last address appearing in the Register stating:

(1) the provision of this Indenture pursuant to which the offer is being made and that all Notes validly tendered will be accepted for payment on a pro rata basis;

(2) the purchase price and the date of purchase (which shall be a Business Day no earlier than 30 days nor later than 60 days from the date such notice is mailed) (the **"Offer to Purchase Payment Date"**);

(3) that any Note not tendered will continue to accrue interest pursuant to its terms;

(4) that, unless the Company defaults in the payment of the purchase price, any Note accepted for payment pursuant to the Offer to Purchase shall cease to accrue interest on and after the Offer to Purchase Payment Date;

(5) that Holders electing to have a Note purchased pursuant to the Offer to Purchase will be required to surrender the Note, together with the form entitled "Option of the Holder to Elect Purchase" on the reverse side of the Note completed, to the Paying Agent at the address specified in the notice prior to the close of business on the Business Day immediately preceding the Offer to Purchase Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Notes delivered for purchase and a statement that such Holder is withdrawing his election to have such Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered; *provided* that each Note purchased and each new Note issued shall be in a principal amount of US\$1,000 or integral multiples of US\$1 in excess thereof.

One Business Day prior to the Offer to Purchase Payment Date, the Company shall (a) accept for payment on a pro rata basis Notes or portions thereof tendered pursuant to an Offer to Purchase; and (b) deliver, or cause to be delivered, to the Trustee all Notes or portions thereof so accepted together with an Officers' Certificate specifying the Notes or portions thereof accepted for payment by the Company and one Business Day prior to the Offer to Purchase Payment Date, the Company shall deposit with the Paying Agent money sufficient to pay the purchase price of all Notes or portions thereof so accepted. The Trustee shall be entitled to conclusively rely on such Officers' Certificate without any liability or responsibility to any person. The Paying Agent shall promptly pay by wire transfer (at the expense of the Company) to the Holders of Notes so accepted payment in an amount equal to the purchase price, and the Trustee or the Authenticating Agent shall promptly authenticate and mail to such Holders a new Note equal in principal amount to any unpurchased portion of the Note surrendered; *provided* that each Note purchased and each new Note issued shall be in a principal amount of US\$1,000 or integral multiples of US\$1 in excess thereof. The Company will publicly announce the results of an Offer to Purchase as soon as practicable after the Offer to Purchase Payment Date. The Company will comply with any securities laws and regulations thereunder to the extent such laws and regulations are applicable, in the event that the Company is required to repurchase Notes pursuant to an Offer to Purchase.

To the extent that the provisions of any securities laws or regulations of any jurisdiction conflict with the provisions of this Indenture governing any Offer to Purchase, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Indenture by virtue of such compliance.

The materials used in connection with an Offer to Purchase are required to contain or incorporate by reference information concerning the business of the Company and its Subsidiaries which the Company in good faith believes will assist such Holders to make an informed decision with respect to the Offer to Purchase, including a brief description of the events requiring the Company to make the Offer to Purchase, and any other information required by applicable law to be included therein. The offer is required to contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Offer to Purchase.

**“Officer”** means one of the executive officers of the Company or, in the case of a Subsidiary Guarantor or a JV Subsidiary Guarantor, one of the directors or executive officers of such Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be.

**“Officers’ Certificate”** means a certificate signed by two Officers; *provided* that, with respect to any Subsidiary Guarantor or JV Subsidiary Guarantor having only one Officer, an “Officers’ Certificate” means a certificate signed by such Officer.

**“Offshore Real Estate Projects”** means the offshore real estate projects of the Company or its Subsidiaries as set forth in Schedule II.

**“Opinion of Counsel”** means a written opinion, in form and substance acceptable to the Trustee, from legal counsel who is reasonably acceptable to the Trustee. For the avoidance of doubt, such legal counsel may be an employee or counsel to the Company.

**“Original Issue Date”** means the date on which the Notes are originally issued under this Indenture.

**“Other Net Proceeds”** means, with respect to (1) any dividend or distribution on or with respect to the Capital Stock of any Restricted Subsidiary (other than any dividend or distribution directly or indirectly from the Healthy Life Shares) or (2) any issuance, sale or distribution of the Capital Stock of any Restricted Subsidiary (other than in connection with a Healthy Life Sale), the cash proceeds of such dividend, distribution or sale (which, for the avoidance of doubt, does not include the Healthy Life Net Proceeds), as the case may be, received by the Company (without duplication) net of:

(A) brokerage commissions and other reasonable and properly incurred fees and expenses (including without limitation fees and expenses of professional parties) incurred in connection with the sale of the Capital Stock of any Restricted Subsidiary (other than in connection with a Healthy Life Sale) and the application of the proceeds of such sale; and

(B) provisions for all taxes and other regulatory fees or charges in connection with such dividend, distribution or sale that are actually paid or to the extent that the Company reasonably expects (based on advice from its professional advisers) such taxes, fees or charges to be payable in connection with such dividend, distribution or sale.

**“Other Offshore Indebtedness”** means any Indebtedness outstanding on the Original Issue Date of the Company or any Principal Subsidiary incorporated outside the PRC other than the Notes, the Aoyuan MCBs, the Aoyuan Perpetuals and the Add Hero Notes; *provided, however*, that any such Indebtedness for which the relevant Principal Subsidiary has after the Original Issue Date cured, acquired waivers in respect of or otherwise resolved any continuing defaults or events of default shall cease to constitute Other Offshore Indebtedness.

**“outstanding”** when used with respect to the Notes means, as of the date of determination, all Notes theretofore authenticated and delivered under this Indenture, except:

(1) Notes theretofore cancelled by the Paying Agent or accepted by the Paying Agent for cancellation;

(2) Notes for whose payment or redemption money in the necessary amount has been theretofore deposited with any Paying Agent in trust for the Holders of such Notes; *provided* that, if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor reasonably satisfactory to the Trustee has been made; and

(3) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to this Indenture.

A Note does not cease to be outstanding because the Company or any Affiliate of the Company holds the Note; *provided* that in determining whether the Holders or Beneficial Holders of the requisite amount of outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under this Indenture, Notes owned by the Company or any Affiliate of the Company or beneficially held for the Company or an Affiliate of the Company shall be disregarded and deemed not to be outstanding, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such request, demand, authorization, direction, notice, consent or waiver, only Notes for which the Trustee has received an Officers' Certificate from the Company or an Affiliate of the Company evidencing such ownership or beneficial holding shall be so disregarded. Notes so owned or beneficially held that have been pledged in good faith may be regarded as outstanding if the pledgee establishes to the reasonable satisfaction of the Trustee the pledgee's right to act with respect to such Notes and that the pledgee is not the Company or an Affiliate of the Company.

**"Pari Passu Guarantee"** means a guarantee by the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor of Indebtedness Incurred by the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor after the Original Issue Date; *provided* that (1) the Company and such Subsidiary Guarantor or JV Subsidiary Guarantor were permitted to Incur such Indebtedness under Section 4.05 and (2) such guarantee ranks *pari passu* with the Notes, with any outstanding Subsidiary Guarantee of such Subsidiary Guarantor or with any outstanding JV Subsidiary Guarantee of such JV Subsidiary Guarantor, as the case may be.

**"Paying Agent"** means the paying and transfer agent or any successor paying and transfer agent with respect to the Notes appointed pursuant to a Paying Agent and Registrar Appointment Letter in the form of Exhibit D.

**"Payment Date"** has the meaning assigned to such term in Section 4.01(a).

**"Payment Default"** means (1) any default in the payment of interest on any Note when the same becomes due and payable, (2) any default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise, (3) the failure by the Company to make or consummate a Change of Control Offer in the manner described under Section 4.12 or an Offer to Purchase in the manner described under Section 4.13 or (4) any Event of Default specified in Section 6.01(e).

**"Permitted Business"** means any business which is the same as or related to the businesses of the Company and its Restricted Subsidiaries on the Original Issue Date, being real estate acquisition, development, leasing and management, hotel acquisition, development, operation and management, and the acquisition, development, management and operation of leisure and other ancillary facilities in each case directly associated with real estate projects acquired, or intended in good faith to be acquired, developed or managed by the Company or any Restricted Subsidiary.

**"Permitted Holders"** means any or all of the following:

- (1) Mr. Guo Zi Wen and Ms. Jiang Miner, collectively;

(2) the estate or trust of any Person specified in clause (1) or the legal representative of any of the foregoing;

(3) a Strategic Investor;

(4) any Affiliate (other than an Affiliate as defined in clause (2) of the definition of Affiliate) of the Persons specified in clause (1), (2) or (3); and

(5) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are more than 80% owned by Persons specified in clauses (1), (2), (3) and (4).

**“Permitted Investment”** means:

(1) any Investment in the Company or a Restricted Subsidiary, directly or indirectly through one or more other Restricted Subsidiaries, that is primarily engaged in a Permitted Business or a Person which will, upon the making of such Investment, become a Restricted Subsidiary that is primarily engaged, directly or indirectly through one or more other Restricted Subsidiaries, in a Permitted Business or be merged or consolidated with or into or transfer or convey all or substantially all its assets to the Company or a Restricted Subsidiary that is primarily engaged, directly or indirectly through one or more other Restricted Subsidiaries, in a Permitted Business; *provided* that the aggregate of all Investments made under this clause (1) in PRC Non-Guarantor Subsidiaries, Exempted Subsidiaries and Listed Subsidiaries shall not exceed an amount equal to 5.0% of Tangible Assets;

(2) any Investment in cash or Temporary Cash Investments;

(3) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses in accordance with GAAP;

(4) stock, obligations or securities received in satisfaction of judgments;

(5) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(6) any Investment pursuant to a Hedging Obligation entered into in the ordinary course of business (and not for speculation) and designed solely to protect the Company or any Restricted Subsidiary against fluctuations in commodity prices, interest rates or foreign currency exchange rates;

(7) receivables owing to the Company or any Restricted Subsidiary by trade creditors or customers, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(8) any securities or other Investments received as consideration in, or retained in connection with, sales or other dispositions of property or assets, including Asset Dispositions made in compliance with Section 4.13;

(9) pledges or deposits described in the definition of “Permitted Liens” or made in connection with Liens permitted under Section 4.07;

(10) any Investment pursuant to Pre-Registration Mortgage Guarantees or Contractor Guarantees by the Company or any Restricted Subsidiary otherwise permitted to be Incurred under this Indenture;

(11) Investments in securities of trade creditors, trade debtors or customers received pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of such trade creditors, trade debtors or customers;

(12) advances to contractors and suppliers for the acquisition of assets or consumables or services in the ordinary course of a Permitted Business that are recorded as deposits or prepaid expenses on the Company's consolidated balance sheet;

(13) deposits of pre-sale proceeds that are necessary to be made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title in the ordinary course of a Permitted Business;

(14) deposits made in order to comply with statutory or regulatory obligations to maintain deposits for workers compensation claims and other purposes specified by statute or regulation from time to time in the ordinary course of a Permitted Business;

(15) deposits made in order to secure the performance of the Company or any of its Restricted Subsidiaries and prepayments made in connection with the acquisition of real property or land use rights by the Company or any of its Restricted Subsidiaries that are recorded as assets in the Company's consolidated balance sheet, in each case in the ordinary course of a Permitted Business;

(16) advances or deposits that are necessary to be paid to government authorities or government-affiliated or supervised entities in the PRC in connection with the financing of land acquisition, land development or land re-development activities in the ordinary course of a Permitted Business that are recorded as assets in the Company's consolidated balance sheet;

(17) repurchases of the Notes and the Add Hero Notes;

(18) any Investment (including any deemed Investment upon the redesignation of a Restricted Subsidiary as an Unrestricted Subsidiary (a "**Redesignated Unrestricted Subsidiary**") or upon the sale of Capital Stock of a Restricted Subsidiary) by the Company or any Restricted Subsidiary in any Person; *provided that*:

(i) the aggregate of all Investments made under this clause (18) since the Original Issue Date shall not exceed an amount equal to US\$100.0 million. Such aggregate amount of Investments shall be calculated after deducting an amount equal to the net reduction in all Investments made under this clause (18) since the Original Issue Date resulting from:

(A) payments of interest on Indebtedness, dividends or repayments of loans or advances made under this clause (18), in each case to the Company or any Restricted Subsidiary (except, in each case, to the extent any such payment or proceeds are included in the calculation of Consolidated Net Income),

(B) the unconditional release of a Guarantee provided by the Company or a Restricted Subsidiary after the Original Issue Date under this clause of an obligation of any such Person,



(C) to the extent that an Investment made after the Original Issue Date under this clause (18) is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, not to exceed, in each case, the amount of Investments made by the Company or a Restricted Subsidiary after the Original Issue Date in any such Person pursuant to this clause (18), or

(D) to the extent that a Redesignated Unrestricted Subsidiary is subsequently redesignated as a Restricted Subsidiary, the lesser of (x) the Company's proportional interest in the Fair Market Value of the assets (net of liabilities owed to any Person other than the Company or a Restricted Subsidiary and that are not Guaranteed by the Company or a Restricted Subsidiary) of such Subsidiary as of the time of such redesignation and (y) the initial amount of the deemed Investment made upon the original redesignation of the Redesignated Unrestricted Subsidiary;;

(ii) the Person into which such Investment is made is primarily engaged in the Permitted Businesses;

(iii) none of the other shareholders or partners in such Person in which such Investment was made pursuant to this clause (18) is a Person described in Sections 4.14 (x) and 4.14 (y) (other than by reason of such shareholder or partner being an officer or director of the Company, a Restricted Subsidiary or by reason of being a Restricted Subsidiary); and

(iv) no Default has occurred and is continuing or would occur as a result of such Investment;

for the avoidance of doubt, the value of each Investment made pursuant to this clause (18) shall be valued at the time such Investment is made; and

(19) any Investment by the Company or any Restricted Subsidiary in a URP Project Company that is not a Restricted Subsidiary and is primarily engaged in the Permitted Businesses, *provided* that the aggregate of all Investments made under this clause (19) since the Original Issue Date shall not exceed an amount equal to US\$1 billion. Such aggregate amount of Investments shall be calculated after deducting an amount equal to the net reduction in all Investments made under this clause (19) since the Original Issue Date resulting from, to the extent that an Investment made after the Original Issue Date under this clause (19) is sold or otherwise liquidated or repaid for cash, the lesser of (x) cash return of capital with respect to such Investment (less the cost of disposition, if any) and (y) the initial amount of such Investment, not to exceed, in each case, the amount of Investments made by the Company or a Restricted Subsidiary after the Original Issue Date in any such Person pursuant to this clause (19).

**“Permitted Liens”** means:

(1) Liens for taxes, assessments, governmental charges or claims that are being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;

(2) statutory and common law Liens of landlords and carriers, warehousemen, mechanics, suppliers or repairmen arising in the ordinary course of business and with respect to

amounts not yet delinquent or being contested in good faith by appropriate legal or administrative proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made;

(3) Liens incurred or deposits made, in each case in the ordinary course of business, to secure the performance of tenders, bids, leases, statutory or regulatory obligations, bankers' acceptances, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of a similar nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(4) leases or subleases granted to others in the ordinary course of business of the Company and its Restricted Subsidiaries;

(5) Liens encumbering property or assets of the Company or a Restricted Subsidiary under construction (which, in the case of the Company or any Restricted Subsidiary organized outside the PRC, shall be limited to the Offshore Real Estate Projects) arising from progress or partial payments by a customer of the Company or its Restricted Subsidiaries relating to such property or assets;

(6) any interest or title of a lessor in the property subject to any operating lease;

(7) Liens on property of, or on shares of Capital Stock or Indebtedness of, any Person existing at the time such Person becomes, or becomes a part of, any Restricted Subsidiary; *provided* that such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets acquired; *provided further* that such Liens were not created in contemplation of or in connection with the transactions or series of transactions pursuant to which such Person became a Restricted Subsidiary;

(8) Liens in favor of the Company or any Restricted Subsidiary; *provided*, that no Lien described in this clause (8) on assets or properties of any kind of the Company or a Subsidiary Guarantor shall be Incurred in favor of a Non-Guarantor Subsidiary;

(9) Liens arising from attachment or the rendering of a final judgment or order against the Company or any Restricted Subsidiary that does not give rise to an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(10) (i) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof or (ii) Liens in favor of any bank having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Company or any Restricted Subsidiary on deposit with or in possession of such bank;

(11) Liens existing on the Original Issue Date (including for the avoidance of doubt Liens securing the Add Hero Notes);

(12) Liens securing Indebtedness which is Incurred to refinance secured Indebtedness which is permitted to be Incurred under clause (v) of Section 4.05(b); *provided* that (a) in the case of such Liens securing Indebtedness which is Incurred solely to refinance the HASE Facilities, such Liens may extend to or cover any property or assets of the Company or any Restricted Subsidiary

other than the collateral granted to secure the indebtedness under the Add Hero Notes, or (b) in the case of such Liens securing Indebtedness which is Incurred to refinance Indebtedness (excluding the HASE Facilities) and which is permitted to be Incurred under clause (v) of Section 4.05(b), such Liens do not extend to or cover any property or assets of the Company or any Restricted Subsidiary other than the property or assets securing the Indebtedness being refinanced;

(13) Liens (including extensions and renewals thereof) upon assets, real or personal property acquired after the Original Issue Date; *provided* that, (a) such Lien is created solely for the purpose of securing Indebtedness of the type described under clause (vi) of Section 4.05(b) and such Lien is created prior to, at the time of or within 90 days after the later of the acquisition or the completion of development, construction or improvement of such assets, property or equipment, (b) the principal amount of the Indebtedness secured by such Lien does not exceed 100% of the cost of such property, development, construction or improvement and (c) such Lien does not extend to or cover any property or assets other than such item of property and any improvements on such item;

(14) Liens on current assets securing Indebtedness which is permitted to be Incurred under clause (xiii) of Section 4.05(b); *provided* that the aggregate book value of the current assets (as reflected in the most recent available consolidated financial statements of the Company (which may be internal consolidated statements) subject to Liens incurred pursuant to this clause (14) does not exceed 100% of the aggregate principal amount of Indebtedness secured by such Liens;

(15) Liens under the Security Documents, which are for the benefit of the Notes;

(16) Liens securing Indebtedness of the Company or any Restricted Subsidiary under any Pre-Registration Mortgage Guarantee which is permitted to be Incurred under clause (xii) of Section 4.05(b);

(17) easements, rights-of-way, municipal and zoning ordinances or other restrictions as to the use of properties in favor of governmental agencies or utility companies that do not materially adversely affect the value of such properties or materially impair the use for the purposes of which such properties are held by the Company or any Restricted Subsidiary;

(18) Liens on deposits of pre-sale proceeds made in order to secure the completion and delivery of pre-sold properties and issuance of the related land use title made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;

(19) Liens on deposits made in order to comply with statutory obligations to maintain deposits for workers compensation claims and other purposes specified by statute made in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;

(20) Liens on deposits made in order to secure the performance of the Company or any of its Restricted Subsidiaries in connection with the acquisition of real property or land use rights by the Company or any of its Restricted Subsidiaries in the ordinary course of business and not securing Indebtedness of the Company or any Restricted Subsidiary;

(21) Liens Incurred on deposits made to secure Bank Deposit Secured Indebtedness permitted to be Incurred under clause (xiv) of Section 4.05(b);

(22) Liens on Investment Properties securing Indebtedness of the PRC Restricted Subsidiaries permitted under clause (xv) of Section 4.05(b);

(23) Liens securing Indebtedness Incurred under clause (xviii) of Section 4.05(b);

(24) Liens in favor of customs and revenue authorities arising by operation of law to secure payment of customs duties in connection with the importation of goods;

(25) Liens Incurred on deposits made to secure Entrusted Loans; and

(26) Liens on the Capital Stock of the Person that is to be acquired under the relevant Staged Acquisition Agreement securing Indebtedness permitted to be Incurred or Preferred Stock permitted to be issued under clause (xvi) of Section 4.05(b);

*provided* that, with respect to the Collateral, “Permitted Liens” shall only refer to the Liens described in clauses (1), (12) and (15) of this definition.

“**Permitted Refinancing Indebtedness**” has the meaning assigned to such term in Section 4.05(b).

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“**PIK Interest**” has the meaning assigned to such term in Section 2.04(b).

“**PRC**” means the People’s Republic of China, excluding Hong Kong, Macao and Taiwan.

“**PRC CJV**” means any Subsidiary that is a Sino-foreign cooperative joint venture enterprise with limited liability, established in the PRC pursuant to the Law of the People’s Republic of China on Sino-foreign Cooperative Joint Ventures adopted on April 13, 1988 (amended on November 4, 2017 and superseded by the Foreign Investment Law of the People’s Republic of China adopted on January 1, 2020) and the Detailed Rules for the Implementation of the Law of the People’s Republic of China on Sino-foreign Cooperative Joint Ventures promulgated on September 4, 1995 (amended on November 4, 2017 and superseded by the Foreign Investment Law of the People’s Republic of China adopted on January 1, 2020), as such laws may be amended.

“**PRC CJV Partner**” means, with respect to a PRC CJV, the other party or parties to the joint venture agreement relating to such PRC CJV with the Company or any Restricted Subsidiary.

“**PRC Non-Guarantor Subsidiaries**” means all Subsidiaries organized under the laws of the PRC.

“**PRC Restricted Subsidiary**” means a Restricted Subsidiary organized under the laws of the PRC.

“**Pre-Registration Mortgage Guarantees**” means any Guarantee in favor of a bank or other similar financial institution by the Company or any Restricted Subsidiary in the ordinary course of business of secured loans of purchasers of individual units of properties from the Company or any Restricted Subsidiary; *provided, however*, that (A) any such Guarantee shall be released in full upon the perfection of security interest in such properties under applicable law in favor of the relevant lender and (B) any such Guarantee by the Company or any Restricted Subsidiary organized outside the PRC shall only be in respect of the Offshore Real Estate Projects.

**“Preferred Stock”** as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over any other class of Capital Stock of such Person.

**“principal”** of any Indebtedness means the principal amount of such Indebtedness (or if such Indebtedness was issued with original issue discount, the face amount of such Indebtedness *less* the remaining unamortized portion of the original issue discount of such Indebtedness), together with, unless the context otherwise indicates, any premium then payable on such Indebtedness.

**“Principal Office”** means the office of the Agents at which the business of the Agents is principally administered, which at the date of this Indenture is located at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong; Attention: Ms. Cassandra Ho; Fax: +852 2599 9501.

**“Principal Subsidiary”** means a Subsidiary of the Company, when consolidated with its Subsidiaries, that would contribute more than 5% in terms of one or more of (i) the consolidated total revenue, (ii) the consolidated profit before tax, or (iii) the consolidated net assets of the Company, in each case by reference to the Company’s latest consolidated financial statements.

**“Project Holdings”** means the shares held by the Company and its Subsidiaries in the holding companies of existing real estate development projects as set forth in Schedule III.

**“Qualifying Exchange”** means either (1) The New York Stock Exchange, the London Stock Exchange, The Stock Exchange of Hong Kong Limited, the Nasdaq Stock Market or Singapore Exchange Securities Trading Limited or (2) a national securities exchange (as such term is defined in Section 6 of the Exchange Act) or a designated offshore securities market (as such term is defined in Rule 902(b) under the Securities Act).

**“Rating Agencies”** means (1) S&P, (2) Moody’s and (3) Fitch; *provided* that if S&P, Moody’s or Fitch, two of the three or all three of them shall not make a rating of the Notes publicly available, one or more nationally recognized securities rating agency or agencies, as the case may be, selected by the Company, which shall be substituted for S&P, Moody’s, Fitch, two of the three or all three of them, as the case may be.

**“Rating Category”** means (1) with respect to S&P, any of the following categories: “BB,” “B,” “CCC,” “CC,” “C” and “D” (or equivalent successor categories); (2) with respect to Moody’s, any of the following categories: “Ba,” “B,” “Caa,” “Ca,” “C” and “D” (or equivalent successor categories); (3) with respect to Fitch, any of the following categories: “BB,” “B,” “CCC,” “CC,” “C” and “D” (or equivalent successor categories); and (4) the equivalent of any such category of S&P, Moody’s or Fitch used by another Rating Agency. In determining whether the rating of the Notes has decreased by one or more gradations, gradations within Rating Categories (“+” and “-” for S&P; “1,” “2” and “3” for Moody’s and “+” and “-” for Fitch; or the equivalent gradations for another Rating Agency) shall be taken into account (e.g., with respect to S&P, a decline in a rating from “BB+” to “BB,” as well as from “BB-” to “B+,” will constitute a decrease of one gradation).

**“Rating Date”** means that date which is 90 days prior to the earlier of (1) the occurrence of any such actions as set forth therein and (2) a public notice of the occurrence of any such actions.

**“Rating Decline”** means the notification by any of the Rating Agencies that such proposed actions will result in any of the events listed below:

(a) in the event the Notes are rated by all three of the Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by any two of the three Rating Agencies shall be below Investment Grade;

(b) in the event the Notes are rated by any two, but not all three, of the three Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by any of such two Rating Agencies shall be below Investment Grade;

(c) in the event the Notes are rated by one, and only one, of the three Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by such Rating Agency shall be below Investment Grade; or

(d) in the event the Notes are (i) rated by less than three Rating Agencies or (ii) rated below Investment Grade by all three of the Rating Agencies on the Rating Date, the rating of the Notes by any Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

**“Reference Date”** means September 30, 2023.

**“Reference Treasury Dealer”** means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in the City of New York, selected by the Company in good faith.

**“Reference Treasury Dealer Quotations”** means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by an investment banking firm of recognized international standing, of the bid and asked prices for the Comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to such investment banking firm by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such redemption date.

**“Register”** has the meaning assigned to such term in Section 2.05.

**“Registrar”** has the meaning assigned to such term in Section 2.05.

**“Relevant Jurisdiction”** has the meaning assigned to such term in Section 4.21(a).

**“Replacement Assets”** means, on any date, (1) properties or assets that replace the properties and assets that were the subject of such Asset Sale or (2) property or assets (other than current assets) which in the good faith judgment of the Board of Directors or any officer of the Company are reasonably related and of a nature or type or that are used in a Permitted Business, including the Capital Stock of any Person holding such property or assets that is primarily engaged in a Permitted Business and is or will become, upon the acquisition by the Company or any of its Restricted Subsidiaries of such Capital Stock, a Restricted Subsidiary.

**“Restricted Payments”** has the meaning assigned to such term in Section 4.06.

**“Restricted Subsidiary”** means any Subsidiary of the Company other than an Unrestricted Subsidiary.

**“S&P”** means S&P Global Ratings and its affiliates.

**“SAFE”** means the State Administration of Foreign Exchange of the PRC.

**“Sale and Leaseback Transaction”** means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Company or any Restricted Subsidiary transfers such property to another Person and the Company or any Restricted Subsidiary leases it from such Person.

**“Securities Act”** means the United States Securities Act of 1933, as amended.

**“Security Documents”** means, collectively, the Collateral Agency Agreement, the Healthy Life Security Agreement and any other agreements or instruments executed and delivered pursuant to this Indenture or otherwise, as the same may be amended, supplemented or otherwise modified from time to time, that may evidence or create or purport to create any security interest in favor of the Collateral Agent in any or all of the Collateral.

**“Securities Law Legend”** has the meaning assigned to such term in Section 2.04(d).

**“Senior Indebtedness”** of the Company or any Restricted Subsidiary, as the case may be, means all Indebtedness of the Company or such Restricted Subsidiary, as relevant, whether outstanding on the Original Issue Date or thereafter created, except for Indebtedness which, in the instrument creating or evidencing the same, is expressly stated to be subordinated in right of payment to (a) the Notes or, in respect of the Company, the Notes, (b) in respect of any Restricted Subsidiary that is a Subsidiary Guarantor, its Subsidiary Guarantee, or (c) in respect of any Restricted Subsidiary that is a JV Subsidiary Guarantor, its JV Subsidiary Guarantee; *provided* that Senior Indebtedness does not include (1) any obligation to the Company or any Restricted Subsidiary, (2) trade payables or (3) Indebtedness Incurred in violation of this Indenture.

**“Staged Acquisition Agreement”** means an agreement between the Company or a Restricted Subsidiary and an Independent Third Party (x) pursuant to which the Company or such Restricted Subsidiary agrees to acquire not less than a majority of the Capital Stock of a Person for consideration that is not more than the Fair Market Value of such Capital Stock of such Person at the time the Company or such Restricted Subsidiary enters into such agreement and (y) which provides that the payment of the purchase price for such Capital Stock is made in more than one installment over a period of time.

**“Stated Maturity”** means, (1) with respect to any Indebtedness, the date specified in such debt security as the fixed date on which the final installment of principal of such Indebtedness is due and payable as set forth in the documentation governing such Indebtedness and (2) with respect to any scheduled installment of principal of or interest on any Indebtedness, the date specified as the fixed date on which such installment is due and payable as set forth in the documentation governing such Indebtedness.

**“Strategic Investor”** means one of the Person(s) identified by the Company, in respect of whom the Board of Directors (at a meeting that all the members of the Board of Directors have the opportunity to attend) has made a determination in good faith that such Person is likely to develop a material strategic relationship with the Company, including without limitation an acquisition of another entity or assets, in connection with and related to the Company’s present or future business, and its affiliates, and notified to the Trustee and the Holders at any time on or prior to 14 days after the date on which such Person(s) have been so identified.

**“Subordinated Indebtedness”** means any Indebtedness of the Company or any Subsidiary Guarantor which is contractually subordinated or junior in right of payment to the Notes or any Subsidiary Guarantee, as applicable, pursuant to a written agreement to such effect.

**“Subordinated Shareholder Loan”** means any loan to the Company or Add Hero from a Permitted Holder which (i) is subordinated in right of payment to the Notes, the Aoyuan MCBs, the Aoyuan Perpetuals and the Add Hero Notes, (ii) by its terms (and by the terms of any security into which it is convertible or for which it is exchangeable) does not mature and is not required to be repaid, pursuant to a sinking fund obligation event of default or otherwise, in whole or in part, prior to the full redemption or repayment of the Notes, the Aoyuan MCBs, the Aoyuan Perpetuals and the Add Hero Notes and (iii) does not provide any cash payment of interest.

**“Subsidiary”** means, with respect to any Person, any corporation, association or other business entity of which (i) more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person or (ii) 50% or less of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is “controlled” and consolidated by such Person in accordance with GAAP; *provided, however*, that with respect to clause (ii), the occurrence of any event (other than the issuance or sale of Capital Stock) as a result of which such corporation, association or other business entity ceases to be “controlled” by such Person under the GAAP and to constitute a Subsidiary of such Person shall be deemed to be a designation of such corporation, association or other business entity as an Unrestricted Subsidiary by such Person and be subject to the requirements under Section 4.18(a).

**“Subsidiary Guarantee”** means a Guarantee executed by a Subsidiary Guarantor pursuant to ARTICLE 11, in substantially the same form as Exhibit I.

**“Subsidiary Guarantor”** means any Restricted Subsidiary which guarantees the payment of the Notes pursuant to this Indenture and the Notes; *provided* that Subsidiary Guarantor will not include (a) any Person whose Subsidiary Guarantee has been released in accordance with this Indenture and the Notes or (b) any JV Subsidiary Guarantor.

**“Subsidiary Guarantor Pledgor”** means any Subsidiary Guarantor which pledges Collateral to secure the obligations of the Company under the Notes and this Indenture and of each Subsidiary Guarantor under its Subsidiary Guarantee; *provided* that a Subsidiary Guarantor Pledgor will not include any Person whose pledge under the Security Documents has been released in accordance with the Security Documents, this Indenture and the Notes.

**“Surviving Person”** has the meaning assigned to such term in Section 5.01(a)(i).

**“Tangible Assets”** means Total Assets less any amounts recorded as “Goodwill” or “Intangible assets” in accordance with GAAP as of the last day of the most recent fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements).

**“Temporary Cash Investment”** means any of the following:

(1) direct obligations of the United States of America, any state of the European Economic Area, the United Kingdom, the People’s Republic of China, Hong Kong and Singapore



or any agency thereof or obligations fully and unconditionally Guaranteed by the United States of America, any state of the European Economic Area, the United Kingdom, the People's Republic of China, Hong Kong and Singapore or any agency thereof, in each case maturing within one year;

(2) demand or time deposit accounts, certificates of deposit and money market deposits maturing within 180 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America or any state thereof, any state of the European Economic Area, the United Kingdom, Hong Kong or Singapore, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of US\$100.0 million (or the Dollar Equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money market fund sponsored by a registered broker dealer or mutual fund distributor;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank or trust company meeting the qualifications described in clause (2) above;

(4) commercial paper, maturing within 180 days of the date of acquisition thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's, "A-1" (or higher) according to Fitch or "A-2" (or higher) according to S&P;

(5) securities, maturing within one year of the date of acquisition thereof, issued or fully and unconditionally Guaranteed by Hong Kong or any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by Fitch, Moody's or S&P;

(6) any mutual fund that has at least 95% of its assets continuously invested in investments of the types described in clauses (1) through (5) above;

(7) time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with any bank, trust company or other financial institution organized under the laws of the PRC, Hong Kong or anywhere the Company or any Restricted Subsidiary conducts business operations; and

(8) structured deposit products that are principal-protected with any bank or financial institution organized under the laws of the PRC, Hong Kong or Singapore if held to maturity (which shall not be more than one year) and can be withdrawn at any time with no more than six months' notice.

**"Total Assets"** means, as of any date, the total consolidated assets of the Company and its Restricted Subsidiaries measured in accordance with GAAP as of the last day of the most recent fiscal quarter for which consolidated financial statements of the Company (which the Company shall use its best efforts to compile in a timely manner) are available (which may be internal consolidated financial statements); *provided* that with respect to clause (vi) of Section 4.05(b), Total Assets shall be calculated after giving pro forma effect to include the cumulative value of all of the real or

personal property or equipment the acquisition, development, construction or improvement of which requires or required the Incurrence of Indebtedness and calculation of Total Assets thereunder, as measured by the (i) purchase price or cost therefor or (ii) budgeted cost provided in good faith by the Company or any of its Restricted Subsidiaries to the bank or other similar financial institutional lender providing such Indebtedness; provided further, that with respect to Article 11, any assets of any Exempted Subsidiary or any Listed Subsidiary under clause (ii) of the definition of Exempted Subsidiary or Listed Subsidiary shall be excluded for purposes of this calculation.

**“Trade Payables”** means, with respect to any Person, any accounts payable or any other indebtedness or monetary obligation to trade creditors created, assumed or Guaranteed by such Person or any of its Subsidiaries arising in the ordinary course of business in connection with the acquisition of goods or services.

**“Trading Day”** means, with respect to any security, a day on which the securities exchange on which such security is listed is open for trading.

**“Transaction Date”** means, with respect to the Incurrence of any Indebtedness, the date such Indebtedness is to be Incurred and, with respect to any Restricted Payment, the date such Restricted Payment is to be made.

**“Trust Company Investor”** means an Independent Third Party that is a financial institution or an insurance company organized under the laws of the PRC, or an Affiliate thereof, that Invests in any Capital Stock of a PRC Restricted Subsidiary.

**“Trustee”** means the party named as such in the first paragraph of this Indenture or any successor trustee under this Indenture pursuant to Article 7.

**“Unrestricted Subsidiary”** means (1) subject to any redesignations under Section 4.18, each of the Existing Unrestricted Subsidiaries and their respective Subsidiaries; (2) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided in this Indenture; and (3) any Subsidiary of an Unrestricted Subsidiary.

**“Urban Renewal Project”** means a real estate development project located in the PRC and commissioned by a government body of the PRC for the purpose of reconstruction and development of an urban land grant made pursuant to a government-sanctioned urban renewal scheme.

**“URP Project Company”** means any incorporated entity from time to time which holds, obtains, controls or derives benefit of any land-use right certificate for any Urban Renewal Projects.

**“URP SPV”** means Phoenix Planet Urban Renewal (HK) Company Limited, a company incorporated with limited liability under the laws of Hong Kong and a wholly owned Subsidiary of the Company.

**“U.S. Government Obligations”** means securities that are (1) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (2) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally Guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof at any time prior to the Stated Maturity of the Notes,

and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt; provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of interest on or principal of the U.S. Government Obligation evidenced by such depository receipt.

**“Volume Weighted Average Price”** means, in respect of a share on any Trading Day, the order book volume-weighted average price of a share published by or derived from Bloomberg (or any successor service) page “VAP” or if not available on any of such screens, from such other source as shall be determined in good faith and in a commercially reasonable manner, using a volume-weighted average method, to be appropriate by an independent financial advisor; *provided* that on any such Trading Day where such price is not available or cannot otherwise be determined in such manner, such price shall be determined by reference to the immediately preceding Trading Day on which the same can be so determined.

**“Voting Stock”** means, with respect to any Person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such Person.

**“WFOE Investment Properties”** means the Investment Property that is owned and held by a Restricted Subsidiary which is a wholly foreign owned enterprise incorporated under the laws of the PRC as set forth in Schedule IV.

**“Wholly Owned”** means, with respect to any Subsidiary of any Person, the ownership of all of the outstanding Capital Stock of such Subsidiary (other than any director’s qualifying shares or Investments by foreign nationals mandated by applicable law) by such Person or one or more Wholly Owned Subsidiaries of such Person; *provided* that Subsidiaries that are PRC CJVs shall not be considered Wholly Owned Subsidiaries unless such Person or one or more Wholly Owned Subsidiaries of such Person is entitled to 95% or more of the economic benefits distributable by such Subsidiary.

#### Section 1.02. *Rules of Construction*

Unless the context otherwise requires or except as otherwise expressly provided:

(a) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(b) “herein,” “hereof” and other words of similar import refer to this Indenture as a whole and not to any particular Section, Article or other subdivision;

(c) all references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Indenture unless otherwise indicated; and

(d) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations, as amended from time to time (or to successor statutes and regulations).

## ARTICLE 2

### ISSUE, EXECUTION, FORM AND REGISTRATION OF NOTES

#### *Section 2.01. Authentication and Delivery of Notes, Subsidiary Guarantees and JV Subsidiary Guarantees*

Upon the execution and delivery of this Indenture, or from time to time thereafter, Notes may be executed and delivered by the Company, with the Subsidiary Guarantee (if any) endorsed thereon by the Subsidiary Guarantor and the JV Subsidiary Guarantee (if any) endorsed thereon by the JV Subsidiary Guarantor, in an aggregate principal amount outstanding of not more than US\$500,000,000 (other than increases to the principal amount of the Notes as a result of payment of PIK Interest) to the Trustee or the Authenticating Agent for authentication, accompanied by an Officers' Certificate of the Company directing such authentication and specifying the amount of Notes (with the Subsidiary Guarantee (if any) and the JV Subsidiary Guarantee (if any) endorsed thereon) to be authenticated, the applicable rate at which interest will accrue on such Notes, the date on which the original issuance of such Notes (with the Subsidiary Guarantee (if any) and the JV Subsidiary Guarantee (if any) endorsed thereon) is to be authenticated, the date from which interest will begin to accrue, the date or dates on which interest on such Notes will be payable and the date on which the principal of such Notes will be payable and other terms relating to such Notes and the Subsidiary Guarantee (if any) and the JV Subsidiary Guarantee (if any). The Trustee or the Authenticating Agent shall thereupon authenticate and deliver such Notes (with the Subsidiary Guarantee (if any) and the JV Subsidiary Guarantee (if any) endorsed thereon) to or upon the written order of the Company (as set forth in such Officers' Certificate) signed by two Authorized Officers.

The Trustee and the Authenticating Agent shall have the right to decline to authenticate and deliver any Notes under this Section if the Trustee or the Authenticating Agent determines that such action may not lawfully be taken or if the Trustee or the Authenticating Agent determines that such action would expose the Trustee or the Authenticating Agent to personal liability, unless indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against such liability is provided to the Trustee or the Authenticating Agent, as applicable.

#### *Section 2.02. Execution of Notes, Subsidiary Guarantees and JV Subsidiary Guarantees*

(a) The Notes shall be executed by or on behalf of the Company by the signature of an Authorized Officer of the Company. Each of the Subsidiary Guarantors shall execute the Subsidiary Guarantees (if any) by the signature of an Authorized Officer of such Subsidiary Guarantor and each of the JV Subsidiary Guarantors shall execute the JV Subsidiary Guarantee (if any) by the signature of an Authorized Officer of such JV Subsidiary Guarantor. Such signatures may be the manual or facsimile signature of the present or any future Authorized Officers. With the delivery of this Indenture, the Company, each of the Subsidiary Guarantors (if any) and each of the JV Subsidiary Guarantors (if any) is furnishing, and from time to time thereafter, the Company, each Subsidiary Guarantor (if any) and each JV Subsidiary Guarantor (if any) may each furnish to both the Trustee and the Authenticating Agent, a certificate substantially in the form of Exhibit C (an “**Authorization Certificate**”) identifying and certifying the incumbency and specimen (or facsimile) signatures of the Authorized Officers. The Trustee and the Agents shall be entitled to conclusively rely on such Authorization Certificate without any liability or responsibility to any person. Until the Trustee and

the Agents receive a subsequent Authorization Certificate, the Trustee and the Agents shall be entitled to conclusively rely on the last Authorization Certificate delivered to them for purposes of determining the Authorized Officers. Typographical and other minor errors or defects in any signature shall not affect the validity or enforceability of any Note which has been duly authenticated and delivered by or on behalf of the Trustee or the Authenticating Agent.

(b) In case the Authorized Officers who shall have signed any of the Notes, any of the Subsidiary Guarantees (if any) or any of the JV Subsidiary Guarantees (if any) thereon, as applicable, shall cease to be such Authorized Officers before the Note (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) shall be authenticated and delivered by or on behalf of the Trustee or the Authenticating Agent or disposed of by or on behalf of the Company, such Note (with the Subsidiary Guarantees (if any) endorsed thereon and the JV Subsidiary Guarantees (if any) endorsed thereon) nevertheless may be authenticated and delivered or disposed of as though the Persons who signed such Note, the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) had not ceased to be such Authorized Officers; and any Note may be signed on behalf of the Company, any Subsidiary Guarantee (if any) may be signed on behalf of the Subsidiary Guarantors and any JV Subsidiary Guarantee (if any) may be signed on behalf of the JV Subsidiary Guarantors by such Persons as, at the actual date of the execution of such Note, Subsidiary Guarantee (if any) and JV Subsidiary Guarantee (if any), shall be Authorized Officers, although at the date of the execution and delivery of this Indenture any such Persons were not Authorized Officers.

#### Section 2.03. *Certificate of Authentication*

Only such Notes (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) as shall bear thereon a certification of authentication substantially as set forth in the forms of the Notes, the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) in Exhibit A, Exhibit B, Exhibit I and Exhibit J hereto, executed by the Trustee or the Authenticating Agent by manual signature of one of its authorized signatories, shall be entitled to the benefits of this Indenture or be valid or obligatory for any purpose. Such certification by the Trustee or the Authenticating Agent upon any Note executed by or on behalf of the Company, any Subsidiary Guarantee (if any) executed by or on behalf of the Subsidiary Guarantors and any JV Subsidiary Guarantee (if any) executed by or on behalf of the JV Subsidiary Guarantors shall be conclusive evidence that the Note (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) so authenticated has been duly authenticated and delivered hereunder and that the Holder is entitled to the benefits of this Indenture.

#### Section 2.04. *Form, Denomination and Date of Notes; Payments*

(a) The Notes, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any) and the certificates of authentication shall be substantially in the form set forth in Exhibit A, Exhibit B, Exhibit I and Exhibit J hereof. On the Original Issue Date, the Notes shall be issued in the form provided in Section 2.04(c). The Notes shall be numbered, lettered, or otherwise distinguished in such manner or in accordance with such plans as the Authorized Officers of the Company executing the same may determine with the approval of the Trustee.

The Notes (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) may be issued with appropriate insertions, omissions, substitutions and

variations, and may have imprinted or otherwise reproduced thereon such legend or legends, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto, with the rules of any securities market in which the Notes are admitted to trading, or to conform to general usage.

(b) Each Note (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) shall be dated the date of its authentication. The Notes shall bear interest, accruing on the Interest Accrual Basis (1) from the Reference Date or from the most recent Interest Payment Date to which interest has been paid or duly provided for (2) to (but excluding) such Interest Payment Date and shall be payable on the dates specified on the face of the form of Note set forth as Exhibit A and Exhibit B hereto entirely in paid-in-kind interest (such interest, “**PIK Interest**”) by increasing the principal amount of the Notes by the amount of such PIK Interest accrued for such interest period, unless the Company elects by giving notice in writing to the Trustee, the Paying Agent and the Holders (substantially in the form of Exhibit E) not less than 5 Business Days prior to the relevant Interest Payment Date to pay all or a portion of such interest in cash (such interest, “**Cash Interest**”) instead of PIK Interest. Interest on the Notes shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

The aggregate principal amount of the Notes outstanding, at any date of determination, shall be the Accreted Value of the outstanding Notes at such date of determination. Payment of PIK Interest will increase the principal amount of the Notes in an amount equal to the interest payment for the applicable interest period (rounded up to the nearest US\$1) to the Holder on the relevant record date. So long as the Notes are held in global form, payment of PIK Interest will increase the aggregate principal amount of the Notes represented by the Global Notes in an amount equal to the aggregate interest payments on the Global Notes for the applicable interest period (rounded up to the nearest US\$1). Following an increase in the principal amount of the Notes, the Notes will bear interest on the increased principal amount thereof, from (and including) and after the applicable Interest Payment Date on which payment of the relevant PIK Interest is made. Unless the context requires otherwise, references to “Notes” for all purposes of this Indenture shall include any increase in the aggregate principal amount as a result of any payment of PIK Interest, and references to “principal amount” of the Notes shall refer to the Accreted Value of such Notes.

So long as the Notes are held in global form, each payment in respect of the Global Note will be made to the person shown as the holder of the Notes in the Register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except December 25 and January 1.

(c) On the Original Issue Date, an appropriate Authorized Officer will execute and deliver to the Trustee or the Authenticating Agent global notes for the Note (and together with any other global notes issued after the Original Issue Date, the “**Global Notes**”), with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon, in definitive, fully registered form without interest coupons, in a denomination of US\$1,000 or any amount in excess thereof which is an integral multiple of US\$1 in excess thereof, substantially in the form of Exhibit B hereto, which shall be deposited with, and registered in the nominee name of a common depository for Euroclear and Clearstream (the “**Common Depository**”), which shall initially be Elavon Financial Services DAC. For as long as the Notes are listed on the Singapore Exchange Securities

Trading Limited (“SGX-ST”), the Notes will be traded on SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies). All such Notes (with the Subsidiary Guarantees (if any) and the JV Subsidiary Guarantees (if any) endorsed thereon) so executed and delivered to the Trustee or the Authenticating Agent pursuant to this clause (c) shall be in an aggregate principal amount that shall equal the aggregate principal amount of the Notes that are to be issued on the Original Issue Date. The aggregate principal amount of the Global Notes may from time to time be increased or decreased by adjustments made on the records of the Common Depositary or its nominee. Notwithstanding anything to the contrary herein, beneficial interests in the Global Notes may only be held through Euroclear and Clearstream and their respective direct and indirect participants and such holding shall be in accordance with their operating procedures.

(d) (i) Each Global Note shall be delivered by or on behalf of the Trustee to, and registered in the name of the Common Depositary or its nominee for the accounts of Euroclear and Clearstream, and (ii) each Global Note and Certificated Note shall also bear a legend (the “**Securities Law Legend**”) substantially to the following effect:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Note: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Note: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF

WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.



EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.”

Each Global Note shall also bear a legend (the “**Global Note Legend**”) substantially to the following effect:

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF ELAVON FINANCIAL SERVICES DAC, AS COMMON DEPOSITARY (“**COMMON DEPOSITARY**”) FOR EUROCLEAR BANK SA/NV (“**EUROCLEAR**”) AND CLEARSTREAM BANKING S.A. (“**CLEARSTREAM**”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY, HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGEABLE IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH COMMON DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.”

Global Notes may be deposited with such other Common Depositary as the Company may from time to time designate in writing to the Trustee, and shall bear such legend as may be appropriate.

(e) If at any time the Common Depositary notifies the Company in writing that it is unwilling or unable to continue as Common Depositary for the Global Notes, a successor Common Depositary with respect to such Global Notes shall be appointed. If (1) a successor Common Depositary for such Global Notes is not appointed within 90 days after the Company receives such notice or becomes aware of such ineligibility, (2) either Euroclear or Clearstream, or a successor clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so, or (3) any of the Notes has become immediately due and payable in accordance with Sections 6.01 and 6.02 and the Company has received a written request from a Holder or Beneficial Holder, then the Company will within 7 days of receipt of such request execute, and the Trustee or the Authenticating Agent, upon receipt by the Trustee or the Authenticating Agent of an Officers’ Certificate of the Company directing the authentication and delivery thereof, will promptly authenticate and deliver, Certificated Notes in any authorized denominations in an aggregate principal amount equal to the principal amount of such Global Notes in exchange for such Global

Notes. Any Holder or Beneficial Holder that (A) has a right to request Certificated Notes under this Section 2.04(e) and (B) complies with the terms to request the Certificated Notes as set out in the foregoing provision, but does not receive Certificated Notes from the Company, shall be deemed to have been issued the Certificated Notes pursuant to 2.04(e)(3) above and shall be recognized as a creditor of the Company for all purposes.

(f) Global Notes shall in all respects be entitled to the same benefits under this Indenture as Certificated Notes authenticated and delivered hereunder.

(g) The Person in whose name any Note is registered at the close of business on any Interest Record Date with respect to any Interest Payment Date shall be entitled to receive the interest, if any, payable on such Interest Payment Date notwithstanding any transfer or exchange of such Note subsequent to the Interest Record Date and prior to such Interest Payment Date.

#### *Section 2.05. Registration, Transfer and Exchange*

(a) The Notes are issuable only in registered form. The Company will keep at the office or agency to be maintained for the purpose as provided in Section 4.02 (the “**Registrar**”), a register (the “**Register**”) in which, subject to such reasonable regulations as it may prescribe, it will register, and will register the transfer of, the Notes as provided in this Article. The name and address of the Holder of each Note and the amount of each Note, and all transfers and exchanges related thereto, will be recorded in the Register. Such Register shall be in written form in the English language or in any other form capable of being converted into such form within a reasonable time. Such Register shall be open for inspection by or on behalf of the Trustee during normal business hours upon prior written request.

(b) Upon due presentation for registration of transfer of any Note, the Company shall execute and the Trustee or the Authenticating Agent shall authenticate and deliver in the name of the transferee or transferees a new Note or Notes in authorized denominations for a like aggregate principal amount.

(c) A Holder may register the transfer of a Note only by written application to the Registrar stating the name of the proposed transferee and otherwise complying with the terms of this Indenture. No such registration of transfer shall be effected until, and such transferee shall succeed to the rights of a Holder only upon, final acceptance and registration of the transfer by the Registrar in the Register. Prior to the registration of any transfer by a Holder as provided herein, the Company, the Trustee, any other Agent and any agent of any of them shall treat the Person in whose name the Note is registered as the owner thereof for all purposes whether or not the Note shall be overdue, and neither the Company, the Trustee, any other Agent nor any such agent shall be affected by notice to the contrary. Furthermore, any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interests in such Global Note may be effected only through a book-entry system maintained by the Euroclear and Clearstream (or their respective agents) and that ownership of a beneficial interest in the Note shall be required to be reflected in a book entry. At the option of the Holder, Notes may be exchanged for other Notes of any authorized denomination and of a like aggregate principal amount, upon surrender of the Notes to be exchanged to the Registrar. When Notes are presented to the Registrar with a request to register the transfer or to exchange them for an equal principal amount of Notes of other authorized denominations, the Registrar shall register the transfer or make the exchange as requested if the requirements for such transactions set forth

herein are met. To permit registrations of transfers and exchanges, the Company, each Subsidiary Guarantor (if any) and each JV Subsidiary Guarantor (if any) shall execute and the Trustee or the Authenticating Agent shall authenticate Notes at the Company's request.

(d) Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Registrar) be duly endorsed, or be accompanied by a written instrument of transfer duly executed, by the Holder thereof or his attorney duly authorized in writing in a form satisfactory to the Company and the Registrar.

(e) The Company may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge that may be imposed in connection with any exchange or registration of transfer of Notes (other than any such transfer taxes or other similar governmental charge payable upon exchanges). No service charge to any Holder shall be made for any such transaction.

(f) The Company shall not be required to exchange or register a transfer of (1) any Notes for a period of 15 days immediately preceding the first mailing of notice of redemption of Notes to be redeemed or (2) any Notes called or being called for redemption.

(g) So long as the Global Notes remain outstanding and are held by or on behalf of the Common Depositary, transfer of beneficial interests in the Global Notes may be made only in accordance with the rules of Euroclear or Clearstream.

(h) Subject to Section 2.04(e), the Global Notes are not exchangeable for a Certificated Note or Certificated Notes.

(i) Notwithstanding any other provisions hereof, unless and until the Global Notes are exchanged for Certificated Notes, the Global Notes may be transferred, in whole, but not in part, only by the Common Depositary to its nominee or by a nominee of the Common Depositary to another nominee of the Common Depositary or by the Common Depositary or its nominee to a successor Common Depositary or a nominee of any such successor Common Depositary.

(j) All Notes issued upon any transfer or exchange of Notes shall be valid obligations of the Company, evidencing the same debt and entitled to the same benefits under this Indenture, as the Notes surrendered upon such transfer or exchange.

(k) Claims against the Company for the payment of principal of, premium, if any, or interest on the Notes will become void unless presentation for payment is made as required in this Indenture within a period of six years.

#### Section 2.06. *Mutilated, Defaced, Destroyed, Stolen and Lost Notes*

(a) The Company shall execute and deliver to the Paying Agent Certificated Notes in such amounts and at such times as to enable the Paying Agent to fulfill its responsibilities under this Indenture and the Notes.

(b) In case any Note shall become mutilated, defaced or be apparently destroyed, lost or stolen, upon the request of the Trustee, the Agents and the Holder thereof, the Company in its discretion may execute, and, upon the written request of Authorized Officers of the Company, the Trustee or the Authenticating Agent shall authenticate and deliver, a new Note (with each Subsidiary Guarantee (if any) endorsed thereon and the JV Subsidiary Guarantee (if any) endorsed thereon),

bearing a number not contemporaneously outstanding, in exchange and substitution for the mutilated or defaced Note, or in lieu of and substitution for the Note so apparently destroyed, lost or stolen. In every case the applicant for a substitute Note shall furnish to the Company, the Subsidiary Guarantors (if any), the JV Subsidiary Guarantors (if any), the Trustee and the Authenticating Agent, and any agent of the Company, the Subsidiary Guarantors (if any), the JV Subsidiary Guarantors (if any), the Trustee or the Authenticating Agent such security and/or indemnity as may be required by each of them to indemnify and defend and to save each of them harmless and, in every case of destruction, loss or theft, evidence to their satisfaction of the apparent destruction, loss or theft of such Note and of the ownership thereof. Upon the issuance of any substitute Note, such Holder, if so requested by the Company, the Subsidiary Guarantors (if any), the Trustee or the Authenticating Agent, or any agent thereof, will pay a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee, the Authenticating Agent or any of their respective agent(s)) connected with the preparation and issuance of the substitute Note. The Trustee or the Authenticating Agent is hereby authorized, in accordance with and subject to the foregoing conditions in this clause (b), to authenticate and deliver, or cause the authentication and delivery of, from time to time, Notes (with each Subsidiary Guarantee (if any) endorsed thereon and the JV Subsidiary Guarantee (if any) endorsed thereon) in exchange for or in lieu of Notes (with each Subsidiary Guarantee (if any) endorsed thereon and the JV Subsidiary Guarantee (if any) endorsed thereon), respectively, which become mutilated, defaced, destroyed, stolen or lost. Each Note delivered in exchange for or in lieu of any Note shall carry all the rights to principal, premium (if any), interest (including rights to accrued and unpaid interest and Additional Amounts) which were carried by such Note.

(c) Mutilated or defaced Certificated Notes must be surrendered before replacements will be issued. In the event any such mutilated, defaced, destroyed, lost or stolen certificate has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new certificate, pay such Notes.

#### *Section 2.07. Cancellation of Notes; Disposition Thereof*

All Notes surrendered for payment, redemption, registration of transfer or exchange, if surrendered to the Company or any agent of the Company or the Trustee, shall be delivered to the Paying Agent for cancellation or, if surrendered to the Paying Agent, shall be canceled by it; and no Notes shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Indenture. The Paying Agent shall dispose of canceled Notes held by it in accordance with its customary procedures, and deliver a certificate of disposition to the Company. If the Company shall acquire any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Notes unless and until the same are delivered to the Paying Agent for cancellation.

#### *Section 2.08. ISIN and Common Code Numbers*

The Company in issuing the Notes may use ISIN and Common Code numbers (if then generally in use), and, if so, the Trustee and the Agents shall use for the Notes ISIN and Common Code numbers in notices of redemption as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by

any defect in or omission of such numbers. The Company will promptly notify the Trustee and the Agents of any change in the ISIN and Common Code numbers.

### **ARTICLE 3**

#### **REDEMPTION**

##### *Section 3.01. Mandatory Redemption*

(a) The Company shall negotiate, agree, enter into and consummate one or more Healthy Life Sale(s), in each case at a price equivalent to a price per Healthy Life Share of no less than 85% of the 30 Trading Day Volume Weighted Average Price of the Healthy Life Shares, such that on or before [*the date falling two years after the RED*], the Company shall have disposed of all Healthy Life Shares it directly or indirectly holds. The Healthy Life Net Proceeds shall be used only in accordance with Section 3.01(b).

(b) The Company shall procure that any Healthy Life Net Proceeds received by the Group are immediately deposited into the Custodian Account. Notwithstanding anything herein to the contrary, within 45 business days from and including the date on which the cash balance of the Custodian Account exceeded US\$20 million, the Company shall apply all funds then held in the Custodian Account to redeem the then outstanding Notes at a redemption price equal to 100% of the Accreted Value, plus accrued and unpaid interest, if any, on such redeemed Notes up to but excluding the relevant redemption date, on a pro rata basis.

##### *Section 3.02. Optional Redemption*

(a) Notwithstanding anything herein to the contrary, the Company may, at its sole discretion, use any Other Net Proceeds to make an Offer to Purchase the Notes by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per US\$1.00 of Notes of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate; *provided*, that no such Offer to Purchase may be made until the Add Hero Notes have been fully repaid, redeemed or repurchased in accordance with the terms thereof.

(b) To the extent that any Other Net Proceeds remain unused after 45 business days of commencing the reverse Dutch auction under Section 3.02(a), the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Notes, in whole or in part, at a redemption price equal to 100% of the Accreted Value thereof plus accrued and unpaid interest, if any, on the Notes redeemed to (but not including) the redemption date.

##### *Section 3.03. Selection and Notice*

(a) The Company will give not less than 30 days' nor more than 45 days' notice of any redemption pursuant to Section 3.01 or Section 3.02(b), which notice of redemption must be mailed by first-class mail (at the expense of the Company) to each Holder's registered address, and the Company shall deliver a copy of such notice of redemption to the Trustee and any Paying Agent at least five days prior to the date such notice is to be given (unless a shorter period shall be acceptable to the Trustee). If less than all of the Notes are to be redeemed, the Notes for redemption will be selected as follows:

(i) if the Notes are listed on any securities exchange and/or are held through any clearing system, in compliance with the requirements of the principal securities exchange on which the Notes are then traded and/or the requirements of the clearing systems through which the Notes are held; or

(ii) if the Notes are not listed on any securities exchange and/or are not held through the clearing system, on a *pro rata* basis by lot or by such other method as the Trustee in its sole and absolute discretion shall deem to be fair and appropriate unless otherwise required by law.

No Note of US\$1,000 in principal amount or less shall be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest shall cease to accrue on Notes or portions of them called for redemption.

(b) At least 30 days but not more than 45 days before a redemption date pursuant to Section 3.01 or Section 3.02(b), the Company shall furnish to the Trustee an Officers' Certificate setting forth:

- (i) the clause of this Indenture pursuant to which the redemption shall occur;
- (ii) the redemption date;
- (iii) the principal amount of Notes to be redeemed; and
- (iv) the redemption price.

The Trustee shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person.

(c) Any redemption of Notes and notice of redemption may, at the Company's discretion, be subject to the satisfaction (or waiver by the Company in its sole discretion) of one or more conditions precedent (including in the case of a Change of Control, the occurrence of such Change of Control).

#### Section 3.04. *Method and Effect of Redemption*

(a) The notice of redemption will identify the Notes to be redeemed and will include or state the following:

- (i) the redemption date;
- (ii) the redemption price, including the portion thereof representing any accrued interest;
- (iii) the place or places where Notes are to be surrendered for redemption;
- (iv) Notes called for redemption must be so surrendered in order to collect the redemption price;
- (v) on the redemption date the redemption price will become due and payable on Notes called for redemption, and interest on Notes called for redemption will cease to accrue on and after the redemption date; and

(vi) if any Note contains a ISIN or Common Code number, no representation is being made as to the correctness of the ISIN or Common Code number either as printed on the Notes or as contained in the notice of redemption and that the Holder should rely only on the other identification numbers printed on the Notes.

(b) Once notice of redemption is sent to the Holders, Notes called for redemption become due and payable at the redemption price on the redemption date, and upon surrender of the Notes called for redemption, the Company shall redeem such Notes at the redemption price. On and after the redemption date, interest shall cease to accrue on the Notes or portions of them called for redemption.

## **ARTICLE 4**

### **COVENANTS**

#### *Section 4.01. Payment of Notes*

(a) The Company shall pay the principal of, any premium on (if any) and interest, and Additional Amounts, if any, on the Notes on the dates and in the manner provided in the Notes and this Indenture. Not later than 11:00 a.m. (Hong Kong time) on the Business Day prior to the Interest Payment Date, the due date of any principal on any Notes, the redemption date pursuant to Section 3.01 or the redemption date pursuant to Section 3.02 (each a “**Payment Date**”), the Company shall pay or cause to be paid to the account of the Paying Agent at the Principal Office, in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts, in immediately available funds, an amount which shall be sufficient to pay the aggregate amount of interest, principal or premium or all of such amounts, as the case may be, becoming due in respect of the Notes on such Payment Date; *provided* that if the Company or any Affiliate of the Company is acting as paying agent, it shall, on or before each due date, segregate and hold in a separate trust fund for the benefit of the Holders a sum of money sufficient to pay such amounts until paid to such Holders or otherwise disposed of as provided in this Indenture. In each case the Company shall promptly notify the Trustee and the Paying Agent of its compliance with this Section 4.01(a). The Company shall procure that, before 9:00 a.m. (Hong Kong time) on the third Business Day before each Payment Date, the bank effecting payment for it confirms by tested telex or authenticated SWIFT message to the Paying Agent the payment instructions relating to such payment. The Paying Agent shall not be bound to make any payment until it has received the full amount due to be paid to it pursuant to this Section 4.01.

(b) An installment of principal, premium (if any) or interest will be considered paid on the date due if the Paying Agent, other than the Company or any Affiliate of the Company, holds on that date money designated for and sufficient to pay the installment. If the Company or any Affiliate of the Company acts as paying agent, an installment of principal or interest will be considered paid on the due date only if paid to the Holders.

(c) The Trustee or the Paying Agent, which will include the Company or any Affiliate of the Company if it is acting as Paying Agent will make payments in respect of the Notes represented by the Global Notes by wire transfer of immediately available funds to the accounts specified by the Holders of the Global Notes. With respect to Certificated Notes, the Paying Agent will make all payments by wire transfer of immediately available funds to the accounts specified by the Holders

thereof; *provided* that if the Company or any Affiliate of the Company is acting as paying agent, it shall make such payment to the Holders as specified above or by wire transfer.

(d) At least three Business Days prior to the first Payment Date and, if there has been any change with respect to the matters set forth in the below-mentioned certificate, at least three Business Days prior to each Payment Date thereafter, the Company shall furnish the Trustee and the Paying Agent with an Officers' Certificate instructing the Trustee and the Paying Agent as to any circumstances in which payments of principal of, or interest or premium on, the Notes due on such date shall be subject to deduction or withholding for, or on account of, any taxes, duties, assessments or governmental charges described in Section 4.21 and the rate of any such deduction or withholding. If any such deduction or withholding shall be required and if the Company therefore becomes liable to pay Additional Amounts, if any, pursuant to Section 4.21 then at least three Business Days prior to each Payment Date, the Company shall furnish the Trustee and the Paying Agent with a certificate which specifies the amount required to be withheld on such payment to Holders of the Notes, and the Additional Amounts, if any, due to the Holders of the Notes, and at least one Business Day prior to such Payment Date, will pay to the Trustee and the Paying Agent such Additional Amounts, if any, as shall be required to be paid to such Holders. The Trustee and the Paying Agent shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person.

(e) Whenever the Company appoints a Paying Agent other than the Trustee for the purpose of paying amounts due in respect of the Notes, it will cause such Paying Agent to execute and deliver to the Trustee an instrument substantially in the form of Exhibit D hereof in which such agent shall agree with the Company, among other things, to be bound by and observe the provisions of this Indenture (including the Notes). The Company shall cause each Paying Agent other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee:

(i) that it will hold all sums received by it as such Paying Agent for the payment of the principal of, or premium or interest on, the Notes (whether such sums have been paid to it by or on behalf of the Company or by any other obligor on the Notes, the Subsidiary Guarantees (if any) or the JV Subsidiary Guarantees (if any)) in trust for the benefit of the Holders or of the Trustee;

(ii) that it will give the Trustee written notice of any failure by the Company (or by any other obligor on the Notes, the Subsidiary Guarantees (if any) or the JV Subsidiary Guarantees (if any)) to make any payment of the principal, or premium or interest on, the Notes and any other payments to be made by or on behalf of the Company under this Indenture, when the same shall be due and payable; and

(iii) that it will pay any such sums so held in trust by it to the Trustee upon the Trustee's written request at any time during the continuance of a failure referred to in clause (ii) above.

Anything in this Section 4.01 to the contrary notwithstanding, the Company may at any time, for the purpose of obtaining a satisfaction and discharge of this Indenture or for any other reason, pay or cause to be paid to the Trustee all sums held in trust by the Company or any Paying Agent hereunder, as required by this Section 4.01 and such sums shall be held by the Trustee upon the



trusts herein contained. If the Paying Agent shall pay all sums held in trust to the Trustee as required under this Section 4.01, the Paying Agent shall have no further liability for the money so paid over to the Trustee.

Anything in this Section 4.01 to the contrary notwithstanding, the agreements to hold sums in trust as provided in this Section 4.01 are subject to the provisions of Section 8.04.

Section 4.02. *Maintenance of Office or Agency*

(a) The Company shall maintain, an office or agency where Notes may be surrendered for registration of transfer or exchange or for presentation for payment and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company hereby initially designates the Principal Office as such office of the Company. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served to the Trustee.

(b) The Company may also from time to time designate one or more other offices or agencies where the Notes may be surrendered or presented (where presentation is required) for any of such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each place where principal of, and interest or premium on, any Notes are payable. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

(c) The Company has initially appointed the Paying Agent and Registrar listed in Exhibit H. The Company will give to the Trustee written notice of the location of any such office or agency and of any change of location thereof.

(d) So long as the Notes are listed on the SGX-ST and the SGX-ST so requires, there will be a Paying Agent in Singapore.

(e) So long as any of the Notes remain outstanding, each of the Subsidiary Guarantors (if any) and the JV Subsidiary Guarantors (if any) shall maintain in each place where principal of, and interest or premium on, any Notes is payable an office or agency where notices and demands to or upon each of the Subsidiary Guarantors and the JV Subsidiary Guarantors in respect of the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees or this Indenture may be served. Each of the Subsidiary Guarantors and the JV Subsidiary Guarantors hereby initially designates the Principal Office as the office or agency for each such purpose. In case any of the Subsidiary Guarantors (if any) or JV Subsidiary Guarantors (if any) shall fail to maintain any such office or agency or shall fail to give notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Trustee's office.

Section 4.03. *Governmental Approvals and Licenses; Compliance with Law*

The Company shall, and shall cause each Restricted Subsidiary to, (a) obtain and maintain in full force and effect all governmental approvals, authorizations, consents, permits, concessions and licenses as are necessary to engage in the Permitted Businesses, (b) preserve and maintain good and valid title to its properties and assets (including land-use rights) free and clear of any Liens other

than Permitted Liens and (c) comply with all laws, regulations, orders, judgments and decrees of any governmental body, except to the extent that failure so to obtain, maintain, preserve and comply would not reasonably be expected to have a material adverse effect on (i) the business, results of operations or prospects of the Company and its Restricted Subsidiaries, taken as a whole, or (ii) the ability of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor to perform its obligations under the Notes, the relevant Subsidiary Guarantee (if any), the relevant JV Subsidiary Guarantee (if any) or this Indenture.

#### Section 4.04. *Payment of Taxes and other Claims*

The Company shall pay or discharge, and cause each of its Subsidiaries to pay or discharge before the same become delinquent (a) all material taxes, assessments and governmental charges levied or imposed upon the Company or any Subsidiary or its income or profits or property and (b) all material lawful claims for labor, materials and supplies that, if unpaid, might by law become a Lien upon the property of the Company or any Subsidiary, other than any such tax, assessment, charge or claim the amount, applicability or validity of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established.

#### Section 4.05. *Limitation on Indebtedness and Preferred Stock*

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, Incur any Indebtedness (including Acquired Indebtedness), and the Company shall not permit any Restricted Subsidiary to issue any Preferred Stock or Disqualified Stock (other than Disqualified Stock held by the Company or a Subsidiary Guarantor (if any), so long as it is so held).

(b) Notwithstanding the foregoing, the Company and, to the extent provided below, any Restricted Subsidiary may Incur each and all of the following:

(i) Indebtedness under the Notes (including any increase in the principal amount of the Notes as a result of payment of PIK interest) and each Subsidiary Guarantee and each JV Subsidiary Guarantee;

(ii) any Pari Passu Guarantee;

(iii) Indebtedness of the Company or any Restricted Subsidiary outstanding on the Original Issue Date (including for the avoidance of doubt the Aoyuan MCBs, the Aoyuan Perpetuals and the Add Hero Notes but excluding Indebtedness permitted under clause (iv) of this Section 4.05(b));

(iv) Indebtedness of the Company or any Restricted Subsidiary owed to the Company or any Restricted Subsidiary; *provided* that (x) any event which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or any Restricted Subsidiary) shall be deemed, in each case, to constitute an Incurrence of such Indebtedness not permitted by this clause (iv) and (y) if the Company is the obligor on such Indebtedness, such Indebtedness must expressly be subordinated in right of payment to the Notes, and if a Subsidiary Guarantor or a JV Subsidiary Guarantor is the obligor on such Indebtedness and the Company is not the obligee, such Indebtedness must be expressly subordinated in right of payment to the Subsidiary Guarantee of such Subsidiary Guarantor or the JV Subsidiary Guarantee of such JV Subsidiary Guarantor, as the case may be;

(v) Indebtedness (“**Permitted Refinancing Indebtedness**”) issued in exchange for, or the net proceeds of which are used to refinance or refund, replace, exchange, renew, repay, defease or discharge (collectively, “refinance” and “refinances” and “refinanced” shall have a correlative meaning) the Notes, the Add Hero Notes or the HASE Facilities or any refinancings thereof in an amount not to exceed the amount so refinanced or refunded (plus premiums, accrued interest (including, for the avoidance of doubt, PIK Interest), fees and expenses in each case directly related thereto); *provided, however*, in the case of the HASE Facilities (for the avoidance of doubt, not including any refinancings thereof), in an amount not to exceed the HASE Facilities Shortfall;

(vi) Indebtedness Incurred by the Company or any Restricted Subsidiary for the purpose of financing (x) all or any part of the purchase price of assets, real or personal property (including the lease purchase price of land use rights) or equipment in each case to be used in the ordinary course of business by the Company or a Restricted Subsidiary in the Permitted Business, including any such purchase through the acquisition of Capital Stock of any Person that owns such asset, real or personal property or equipment which will, upon such acquisition, become a Restricted Subsidiary, or (y) all or any part of the purchase price or the cost of development, construction or improvement of assets, real or personal property to be used in the Permitted Business (including the lease purchase price of land use rights) or equipment to be used in the Permitted Business by the Company or such Restricted Subsidiary in the ordinary course of business; *provided, however*, in the case of sub-clauses (x) and (y), that (A) the aggregate principal amount of such Indebtedness shall not exceed such purchase price or cost, (B) such Indebtedness shall be Incurred no later than 90 days after the acquisition of such property or completion of such development, construction or improvement, (C) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (vi) (together with refinancings thereof and the aggregate principal amount outstanding of all such Indebtedness permitted by clauses (xiv), (xv), (xviii) and (xix) of this Section 4.05(b) below (together with refinancings thereof), but excluding any Contractor Guarantee Incurred under this clause (vi) to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) does not exceed an amount equal to 20.0% of Tangible Assets and (D) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (vi) Incurred by the Company or any Restricted Subsidiary organized outside the PRC shall not exceed US\$10.0 million;

(vii) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to workers’ compensation claims or self- insurance obligations or bid, performance or surety bonds (in each case other than for an obligation for borrowed money);

(viii) Indebtedness Incurred by the Company or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit, trade guarantees or similar instruments issued in the ordinary course of business to the extent that such letters of credit, trade guarantees or similar instruments are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than 30 days following receipt by the Company or such Restricted Subsidiary, as applicable, of a demand for reimbursement;

(ix) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from Guarantees or letters of credit, surety bonds or performance bonds securing any obligation of the Company or any Restricted Subsidiary pursuant to such agreements, in any case, Incurred in connection with the disposition of any business, assets or Restricted Subsidiary, other than Guarantees of Indebtedness Incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Indebtedness in the nature of such Guarantee shall at no time exceed the gross proceeds actually received from the sale of such business, assets or Restricted Subsidiary;

(x) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business *provided, however*, that such Indebtedness is extinguished within five Business Days of Incurrence;

(xi) Guarantees by the Company or any Restricted Subsidiary of Indebtedness of the Company or any Restricted Subsidiary that were permitted to be Incurred by another provision of this Section 4.05, subject to Section 4.10; *provided* that (A) in the case of a Guarantee of Indebtedness that is *pari passu* with the Notes, a Subsidiary Guarantee or a JV Subsidiary Guarantee, as the case may be, such Guarantee, by its terms or by the terms of any agreement or instrument pursuant to which such Guarantee is issued or remains outstanding, is expressly made *pari passu* with, or subordinate in right of payment to, the Notes, such Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, or (B) in the case of a Guarantee of Indebtedness that is subordinated in right of payment to the Notes, a Subsidiary Guarantee or a JV Subsidiary Guarantee, as the case may be, such Guarantee, by its terms or by the terms of any agreement or instrument pursuant to which such Guarantee is issued or remains outstanding, is expressly made subordinate in right of payment to the Notes, such Subsidiary Guarantee or JV Subsidiary Guarantee, at least to the extent that the Indebtedness to be Guaranteed is subordinated to the Notes, such Subsidiary Guarantee or such JV Subsidiary Guarantee, as the case may be; *provided further* that Guarantees by the Company or any Subsidiary Guarantor of Indebtedness of any Non-Guarantor Subsidiary permitted by this clause (xi) are Incurred in connection with Urban Renewal Projects with a loan-to-value ratio of no more than 70%;

(xii) Pre-Registration Mortgage Guarantees by the Company or any Restricted Subsidiary;

(xiii) Indebtedness of the Company or any Restricted Subsidiary with a maturity of one year or less used by the Company or any Restricted Subsidiary for working capital; *provided* that the aggregate principal amount of Indebtedness permitted by this clause (xiii) at any time outstanding does not exceed US\$30.0 million (or the Dollar Equivalent thereof);

(xiv) Bank Deposit Secured Indebtedness Incurred by the Company or any of its Restricted Subsidiaries; *provided* that on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (xiv) (together with refinancings thereof) and the aggregate principal amount outstanding of Indebtedness that was permitted to be incurred

under clause (vi) of this Section 4.05(b) above (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (vi) of this Section 4.05(b) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) and clauses (xv), (xviii) and (xix) of this Section 4.05(b) below (together with refinancings thereof) does not exceed an amount equal to 20.0% of Tangible Assets;

(xv) Indebtedness Incurred by any PRC Restricted Subsidiary which is secured by Investment Properties, and Guarantees thereof by the Company or any such Restricted Subsidiary; *provided* that (A) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (xv) (together with refinancings thereof) and the aggregate principal amount outstanding of Indebtedness that was permitted to be incurred under clauses (vi) and (xiv) above (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (vi) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) and clauses (xviii) and (xix) below (together with refinancings thereof) does not exceed an amount equal to 20.0% of Tangible Assets and (B) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (xv) Incurred by the Company or any Restricted Subsidiary organized outside the PRC shall not exceed US\$10.0 million;

(xvi) Indebtedness of the Company or any Restricted Subsidiary constituting an obligation to pay the deferred purchase price of Capital Stock in a Restricted Subsidiary pursuant to a Staged Acquisition Agreement, to the extent that such deferred purchase price is paid within 12 months after the date the Company or such Restricted Subsidiary enters into such Staged Acquisition Agreement;

(xvii) Indebtedness Incurred by the Company or Add Hero constituting a Subordinated Shareholder Loan;

(xviii) Acquired Indebtedness of any Restricted Subsidiary Incurred and outstanding on the date on which such Person becomes a Restricted Subsidiary (other than Indebtedness Incurred (i) to provide all or any portion of the funds utilized to consummate the transaction or series of transactions pursuant to which a Person becomes a Restricted Subsidiary or (ii) otherwise in contemplation of a Person becoming a Restricted Subsidiary or any such acquisition); *provided* that (A) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (xviii) (together with refinancings thereof) and the aggregate principal amount outstanding of Indebtedness that was permitted to be incurred under clauses (vi), (xiv) and (xv) above (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (vi) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount) and clause (xix) below (together with refinancings thereof) does not exceed an amount equal to 20.0% of Tangible Assets and (B) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness

permitted by this clause (xviii) Incurred by the Company or any Restricted Subsidiary organized outside the PRC shall not exceed US\$10.0 million; and

(xix) Indebtedness Incurred by the Company or any Restricted Subsidiary under Credit Facilities; *provided* that (A) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness Incurred under this clause (xix) (together with refinancings thereof) and the aggregate principal amount outstanding of Indebtedness that was Incurred under clauses (vi), (xiv), (xv) and (xviii) above (together with refinancings thereof, but excluding any Contractor Guarantee Incurred under clause (vi) above to the extent the amount of such Contractor Guarantee is otherwise reflected in such aggregate principal amount), does not exceed an amount equal to 20.0% of Tangible Assets and (B) on the date of the Incurrence of such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness permitted by this clause (xix) Incurred by the Company or any Restricted Subsidiary organized outside the PRC shall not exceed US\$10.0 million; and

(xx) Guarantees by the Company or any Restricted Subsidiary of Indebtedness of a URP Project Company that is not a Restricted Subsidiary and is primarily engaged in the Permitted Business; *provided* that the Urban Renewal Project held by such URP Project Company has a loan-to-value ratio of no more than 70%.

(c) For purposes of determining compliance with this Section 4.05, in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, the Company, in its sole discretion, shall classify, and from time to time may reclassify, such item of Indebtedness as one or more of such types of Indebtedness described in this Section 4.05.

(d) Notwithstanding any other provision of this Section 4.05, the maximum amount of Indebtedness that may be Incurred pursuant to this Section 4.05 will not be deemed to be exceeded with respect to any outstanding Indebtedness due solely to the result of fluctuations in the exchange rates of currencies. For purposes of determining compliance with any U.S. dollar-denominated restriction on the Incurrence of Indebtedness, the principal amount of Indebtedness denominated in a foreign currency shall be translated into U.S. dollar at its Dollar Equivalent on the date such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is Incurred to refinance other Indebtedness denominated in a currency other than U.S. dollars, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if translated to its Dollar Equivalent on the date of such refinancing, such U.S. dollar denominated restriction shall be deemed not to have been exceeded so long as the foreign currency principal amount of such refinancing Indebtedness does not exceed the same foreign currency principal amount of such Indebtedness being refinanced. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced and other than in U.S. dollars, shall be calculated based on the Dollar Equivalent applicable to the currency in which such refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

#### Section 4.06. *Limitation on Restricted Payments*

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly (the payments or any other actions described in clauses (i) through (iv) below being collectively referred to as “**Restricted Payments**”):

(i) declare or pay any dividend or make any distribution on or with respect to the Company’s or any Restricted Subsidiary’s Capital Stock (other than dividends or distributions payable or paid solely in shares of the Company’s or any Restricted Subsidiary’s Capital Stock (other than Disqualified Stock or Preferred Stock) or in options, warrants or other rights to acquire shares of such Capital Stock) held by Persons other than the Company or any Restricted Subsidiary;

(ii) purchase, call for redemption or redeem, retire or otherwise acquire for value any shares of Capital Stock of the Company or any Restricted Subsidiary (including options, warrants or other rights to acquire such shares of Capital Stock) or any direct or indirect parent of the Company held by any Persons other than the Company or any Restricted Subsidiary (other than the purchase of Capital Stock of any PRC Restricted Subsidiary held by any Trust Company Investor);

(iii) make any voluntary or optional principal payment, or voluntary or optional redemption, repurchase, defeasance, or other acquisition or retirement for value, of (A) Indebtedness payable to the Permitted Holders, (B) Indebtedness that is subordinated in right of payment to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee (excluding any intercompany Indebtedness between or among any Restricted Subsidiaries or owing to the Company by a Restricted Subsidiary), (C) the Aoyuan MCBs other than in accordance with Condition 8(B) or Condition 8(C) thereof, (D) the Aoyuan Perpetuals or (E) the Notes or any Subsidiary Guarantee or any JV Subsidiary Guarantee other than in accordance with Section 3.01, Section 3.02, Section 4.13 or with Permitted Refinancing Indebtedness; or

(iv) make any Investment, other than a Permitted Investment.

(b) The foregoing provision shall not be violated by reason of:

(i) the redemption, repurchase or other acquisition of Capital Stock of the Company or any Subsidiary Guarantor or any JV Subsidiary Guarantor (or options, warrants or other rights to acquire such Capital Stock) in exchange for, or out of the Net Cash Proceeds of a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company (or options, warrants or other rights to acquire such Capital Stock);

(ii) the redemption, repurchase, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Company or any Subsidiary Guarantor or any JV Subsidiary Guarantor in exchange for, or out of the Net Cash Proceeds of, a substantially concurrent capital contribution or sale (other than to a Subsidiary of the Company) of, shares of Capital Stock (other than Disqualified Stock) of the Company (or options, warrants or other rights to acquire such Capital Stock);

(iii) the purchase by the Company or a Restricted Subsidiary of Capital Stock of any Restricted Subsidiary that is not Wholly Owned, directly or indirectly, by the Company

from an Independent Third Party pursuant to an agreement entered into between/among the Company or any Restricted Subsidiary and such Independent Third Party solely for the purpose of acquiring real property or land use rights, provided that (x) such purchase occurs within 12 months after such Restricted Subsidiary acquires the real property or land use rights it was formed to acquire and (y) the Company delivers to the Trustee a Board Resolution set forth in an Officers' Certificate (on which the Trustee shall be entitled to conclusively rely without any liability or responsibility to any person) confirming that, in the opinion of the Board of Directors, the purchase price of such Capital Stock is less than or equal to the Fair Market Value of such Capital Stock;

(iv) the payment of any dividends or distributions declared, paid or made by a Restricted Subsidiary payable, on a pro rata basis or on a basis more favorable to the Company, to all holders of any class of Capital Stock of such Restricted Subsidiary, at least 50% of which is held, directly or indirectly through Restricted Subsidiaries, by the Company;

(v) dividends paid to, or the purchase of Capital Stock of any PRC Restricted Subsidiary held by, any Trust Company Investor in respect of any Indebtedness Incurred by any PRC Restricted Subsidiary under clause (xv) of Section 4.05(b);

(vi) the purchase of Capital Stock of a Person pursuant to a Staged Acquisition Agreement;

(vii) the distribution, as a dividend or otherwise, of shares of Capital Stock in, or any Indebtedness or other securities of, Unrestricted Subsidiaries; or

(viii) the distribution of shares of Capital Stock of the Company upon the conversion of the Aoyuan MCBs;

*provided* that, in the case of clause (i) or (ii) of this Section 4.06(b), no Default shall have occurred and be continuing or would occur as a consequence of the actions or payments set forth therein.

(c) The amount of any Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The value of any assets or securities that are required to be valued by this Section 4.06 will be the Fair Market Value. The Board of Directors' determination of the Fair Market Value of a Restricted Payment or any such assets or securities (other than any Restricted Payments set forth in clauses (iii) through (vii) in the paragraph (b) under Section 4.06 herein) must be based upon an opinion or appraisal issued by an appraisal or investment banking firm of recognized standing if the Fair Market Value exceeds US\$10.0 million (or the Dollar Equivalent thereof).

(d) Not later than the date of making any Restricted Payment in an amount in excess of US\$10.0 million (or the Dollar Equivalent thereof) (other than any Restricted Payments set forth in clauses (iii) through (vii) in the paragraph (b) under Section 4.06 herein), the Company will deliver to the Trustee an Officers' Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this Section 4.06 were computed, together with a copy of any fairness opinion or appraisal required by this Indenture. The Trustee shall be entitled to conclusively rely on Officers' Certificate and opinion or appraisal as sufficient evidence thereof without any liability or responsibility to any person.



Section 4.07. *Limitation on Liens*

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur, assume or permit to exist any Lien on the Collateral (other than Permitted Liens).

(b) The Company shall not, and shall not permit any Restricted Subsidiary (other than the URP SPV, the ICA WFOE or the General WFOE) to, directly or indirectly, Incur, assume or permit to exist any Lien of any nature whatsoever on any of its assets or properties of any kind (other than the Collateral), whether owned at the Original Issue Date or thereafter acquired, except Permitted Liens, unless the Notes are secured equally and ratably by (or, if the obligation or liability to be secured by such Lien is subordinated in right of payment to the Notes, prior to) such Lien.

(c) The Company shall not permit the URP SPV, the ICA WFOE, the General WFOE or their respective subsidiaries to, directly or indirectly, Incur, assume or permit to exist any Lien of any nature whatsoever on any of its assets or properties of any kind, whether owned at the Original Issue Date or thereafter acquired other than Liens incurred, assumed or permitted to exist on the shares of a URP Project Company by the immediate holding company of such URP Project Company for the sole and exclusive purpose of raising financing for the development of the relevant Urban Renewal Project.

Section 4.08. *Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*

(a) Except as provided in Section 4.08(b) below, the Company shall not, and shall not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(i) pay dividends or make any other distributions on any Capital Stock of such Restricted Subsidiary owned by the Company or any other Restricted Subsidiary;

(ii) pay any Indebtedness or other obligation owed to the Company or any other Restricted Subsidiary;

(iii) make loans or advances to the Company or any other Restricted Subsidiary;  
or

(iv) sell, lease or transfer any of its property or assets to the Company or any other Restricted Subsidiary.

*provided* that for the avoidance of doubt the following shall not be deemed to constitute such an encumbrance or restriction: (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on Common Stock; (ii) the subordination of loans or advances made to the Company or any Restricted Subsidiary to other Indebtedness Incurred by the Company or any Restricted Subsidiary; and (iii) the provisions contained in documentation governing Indebtedness requiring transactions between or among the Company and any Restricted Subsidiary or between or among any Restricted Subsidiary to be on fair and reasonable terms or on an arm's length basis.

(b) The provisions of Section 4.08(a) do not apply to any encumbrances or restrictions:

(i) existing in agreements as in effect on the Original Issue Date (including for the avoidance of doubt the Aoyuan MCBs, the Aoyuan Perpetuals and the Add Hero Notes), or in the Notes, the Subsidiary Guarantees, the JV Subsidiary Guarantees, this Indenture, the Security Documents, or under any Pari Passu Guarantee of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor, and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;

(ii) existing under or by reason of applicable law (including any statute, rule, regulation or government order);

(iii) existing with respect to any Person or the property or assets of such Person acquired by the Company or any Restricted Subsidiary, existing at the time of such acquisition and not incurred in contemplation thereof, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Person or the property or assets of such Person so acquired, and any extensions, refinancings, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;

(iv) that otherwise would be prohibited by the provision described in clause (iv) of Section 4.08(a) if they arise, or are agreed to, in the ordinary course of business, and that (x) restrict in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease or license, (y) exist by virtue of any Lien on, or agreement to transfer, option or similar right with respect to any property or assets of the Company or any Restricted Subsidiary not otherwise prohibited by this Indenture or (z) do not relate to any Indebtedness, and that do not, individually or in the aggregate, detract from the value of the property or assets of the Company or any Restricted Subsidiary in any manner material to the Company or such Restricted Subsidiary;

(v) with respect to a Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the sale or disposition of all or substantially all of the Capital Stock of, or property and assets of, such Restricted Subsidiary that is permitted by Section 4.05, Section 4.09 and Section 4.13;

(vi) with respect to any Restricted Subsidiary and imposed pursuant to an agreement that has been entered into for the Incurrence of Indebtedness permitted under clauses (vi), (xiii), (xiv), (xv), (xviii) or (xix) of Section 4.05(b) if, as determined by the Board of Directors, the encumbrances or restrictions are (i) customary for such types of agreements and (ii) would not, at the time agreed to, be expected to materially and adversely affect the ability of the Company to make required payments on the Notes and any extensions, refinancings, renewals or replacements of any of the foregoing agreements; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect than those

encumbrances and restrictions that are then in effect and that are being extended, refinanced, renewed or replaced;

(vii) existing in customary provisions in joint venture agreements and other similar agreements permitted under this Indenture, to the extent such encumbrance or restriction relates to the activities or assets of a Restricted Subsidiary that is a party to such joint venture and if (as determined in good faith by the Board of Directors) (i) the encumbrances or restrictions are customary for a joint venture or similar agreement of that type and (ii) the encumbrances or restrictions would not, at the time agreed to, be expected to materially and adversely affect (x) the ability of the Company to make the required payments on the Notes, or (y) the ability of any Subsidiary Guarantor or JV Subsidiary Guarantor to make required payments under its Subsidiary Guarantee or JV Subsidiary Guarantee; or

(viii) existing with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary in accordance with the terms of this Indenture at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals or replacements thereof; *provided* that the encumbrances and restrictions in any such extension, refinancing, renewal or replacement, taken as a whole, are no more restrictive in any material respect to the Holders than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed or replaced.

#### Section 4.09. *Limitation on Sales and Issuances of Capital Stock in Restricted Subsidiaries*

The Company shall not sell, and shall not permit any Restricted Subsidiary, directly or indirectly, to issue or sell any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock) except:

(a) to the Company or a Wholly Owned Restricted Subsidiary, or in the case of a Restricted Subsidiary that is not Wholly Owned, pro rata to its shareholders or incorporators;

(b) to the extent such Capital Stock represents a director's qualifying shares or is required by applicable law to be held by a Person other than the Company or a Wholly Owned Restricted Subsidiary;

(c) the issuance or sale of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such issuance or sale, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under Section 4.06 if made on the date of such issuance or sale and *provided* that the Company complies with Section 4.13 to the extent required thereunder; and

(d) the issuance or sale of Capital Stock of a Restricted Subsidiary (which remains a Restricted Subsidiary after any such issuance or sale); *provided* that the Company or such Restricted Subsidiary applies the Net Cash Proceeds of such issuance or sale in accordance with Section 4.13 to the extent required thereunder.

Notwithstanding the foregoing, a Restricted Subsidiary may issue Common Stock to its shareholders on a *pro rata* basis or on a basis more favorable to the Company and its Restricted Subsidiaries.

Section 4.10. *Limitation on Issuances of Guarantees by Restricted Subsidiaries*

(a) The Company will not permit any Restricted Subsidiary which is not a Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, directly or indirectly, to Guarantee any Indebtedness (“**Guaranteed Indebtedness**”) of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor, unless (1)(x) such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture to this Indenture providing for an unsubordinated Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, of payment of the Notes by such Restricted Subsidiary and (y) such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of, any rights of reimbursement, indemnity or subrogation or any other rights against the Company or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, until the Notes have been paid in full or (2) such Guarantee is permitted by Section 4.05(b)(iii), Section 4.05(b)(iv), Section 4.05(b)(xi) (other than a Guarantee by a PRC Restricted Subsidiary of the Indebtedness of a non-PRC Restricted Subsidiary that is not a Subsidiary of such PRC Subsidiary) or Section 4.05(b)(xiv) (in the case of clause Section 4.05(b)(xiv), with respect to the Guarantee provided by any Restricted Subsidiary for any such Bank Deposit Secured Indebtedness).

(b) If the Guaranteed Indebtedness (1) ranks *pari passu* in right of payment with the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, if any, then the Guarantee of such Guaranteed Indebtedness shall rank *pari passu* in right of payment with, or subordinated to, the Subsidiary Guarantee or the JV Subsidiary Guarantee, as the case may be, or (2) is subordinated in right of payment to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee, if any, then the Guarantee of such Guaranteed Indebtedness shall be subordinated in right of payment to the Subsidiary Guarantee or the JV Subsidiary Guarantee, as the case may be, at least to the extent that the Guaranteed Indebtedness is subordinated to the Notes, or the Subsidiary Guarantee or the JV Subsidiary Guarantee, as the case may be.

(c) The Company shall not permit any JV Subsidiary Guarantor, directly or indirectly, to Guarantee any Indebtedness of the Company or any other Restricted Subsidiary unless the aggregate claims of the creditor under such Guarantee will be limited to the JV Entitlement Amount. If any JV Subsidiary Guarantor Guarantees any Indebtedness of the Company or any other Restricted Subsidiary where the aggregate claims of the creditor under such Guarantee exceed the JV Entitlement Amount, such JV Subsidiary Guarantee shall be replaced with a Subsidiary Guarantee given by a Subsidiary Guarantor.

Section 4.11. *Limitation on Sale and Leaseback Transactions*

The Company shall not, and shall not permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction; *provided* that the Company or any Restricted Subsidiary may enter into a Sale and Leaseback Transaction if:

(a) the Company or such Restricted Subsidiary, as the case may be, could have (1) incurred Indebtedness in an amount equal to the Attributable Indebtedness relating to such Sale and Leaseback Transaction under Section 4.05 and (2) incurred a Lien to secure such Indebtedness

pursuant to the covenant described above under Section 4.07 in which case, the corresponding Indebtedness and Lien will be deemed incurred pursuant to those provisions;

(b) the gross cash proceeds of that Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and

(c) the transfer of assets in that Sale and Leaseback Transaction is permitted by, and the Company or such Restricted Subsidiary, as the case may be, applies the proceeds of such transaction in compliance with, Section 4.13.

*Section 4.12. Repurchase of Notes upon a Change of Control*

(a) Not later than 30 days following a Change of Control, the Company will make an Offer to Purchase all outstanding Notes (a “**Change of Control Offer**”) at a purchase price equal to 101% of the Accreted Value thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

(b) The Company will timely repay all Indebtedness or obtain consents as necessary under or terminate agreements or instruments that would otherwise prohibit a Change of Control Offer required to be made pursuant to this Section 4.12.

(c) Notwithstanding the provisions of this Section 4.12, the Company will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

(d) The Trustee and the Agents shall not be required to take any steps to monitor or ascertain whether a Change of Control or any event which could lead to the occurrence of a Change of Control has occurred and shall not be liable to any person for any failure to do so and shall be entitled to assume that no such event has occurred until it has received written notice to the contrary from the Company. The Trustee and the Agents shall not be required to take any steps to monitor or ascertain whether the condition for the exercise of the rights herein has occurred. The Trustee and the Agents shall not be responsible for determining or verifying whether a Note is to be accepted for redemption and will not be responsible to the Holders for any loss arising from any failure by it to do so. The Trustee and the Agents shall not be under any duty to determine, calculate or verify the redemption amount payable hereunder and will not be responsible to the Holders for any loss arising from any failure by it to do so.

(e) Notwithstanding the foregoing, in connection with a Change of Control Offer, if Holders of not less than 90% in the aggregate principal amount of the outstanding Notes validly tender and do not validly withdraw such Notes in such Change of Control Offer and the Company, or any other party making such Change of Control Offer in lieu of the Company, purchases all of the Notes validly tendered and not validly withdrawn by such Holders, the Company or such third party will have the right, upon not less than 30 nor more than 60 days’ prior notice to the Holders and the Trustee, to redeem all of the Notes that remain outstanding following such purchase at a price in cash equal to the price paid to each other Holder in such Change of Control Offer (other than any incentive payment for early tenders), plus, to the extent not included in the Change of

Control Offer payment, accrued and unpaid interest and Additional Amounts, if any, thereon, to, but not including the redemption date. In determining whether the Holders of at least 90% of the aggregate principal amount of the then outstanding Notes have validly tendered and not withdrawn Notes in a Change of Control Offer, Notes owned by an Affiliate of the Company or by funds controlled or managed by any Affiliate of the Company, or any successor thereof, shall be deemed to be outstanding for the purposes of such Change of Control Offer.

Section 4.13. *Limitation on Asset Sales*

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, consummate any Asset Sale, unless:

(i) no Default shall have occurred and be continuing or would occur as a result of such Asset Sale;

(ii) the consideration received by the Company or such Restricted Subsidiary, as the case may be, is at least equal to the Fair Market Value of the assets sold or disposed of; and

(iii) at least 75% of the consideration received consists of cash, Temporary Cash Investments or Replacement Assets; *provided* that in the case of an Asset Sale in which the Company or such Restricted Subsidiary receives Replacement Assets involving aggregate consideration in excess of US\$30.0 million (or the Dollar Equivalent thereof), the Company shall deliver to the Trustee an opinion as to the fairness to the Company or such Restricted Subsidiary of such Asset Sale from a financial point of view issued by an accounting, appraisal or investment banking firm of recognized standing. The Trustee shall be entitled to conclusively rely on such opinion as sufficient evidence thereof without any liability or responsibility to any person. For purposes of this provision, each of the following will be deemed to be cash:

(1) any liabilities, as shown on the Company's most recent consolidated balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee) that are assumed by the transferee of any such assets pursuant to a customary assumption, assignment, novation or similar agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any Restricted Subsidiary from such transferee that are promptly, but in any event within 30 days of closing, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion.

(b) Within 360 days after the receipt of any Net Cash Proceeds from an Asset Sale, any Restricted Subsidiary may apply such Net Cash Proceeds to:

(i) permanently repay Senior Indebtedness of the Company or a Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor (and, if such Senior Indebtedness repaid is revolving credit Indebtedness, to correspondingly

reduce commitments with respect thereto) in each case owing to a Person other than the Company or a Restricted Subsidiary;

(ii) acquire Replacement Assets; or

(iii) make an Investment in cash or Temporary Cash Investments pending application of such Net Cash Proceeds as set forth in clause (i) or (ii) above.

(c) On the 361st day after an Asset Sale or such earlier date, if any, if the relevant Restricted Subsidiary determines not to apply all of the Net Cash Proceeds relating to such Asset Sale as set forth in Section 4.13(b) (such date being referred to as an “**Excess Proceeds Trigger Date**”), such aggregate amount of Net Cash Proceeds that has not been applied on or before the Excess Proceeds Trigger Date as permitted in Section 4.13(b) (“**Excess Proceeds**”) will be applied by the Company to make an Offer to Purchase to all Holders of Notes and all holders of other Indebtedness that is *pari passu* with the Notes or any Subsidiary Guarantee containing provisions similar to those set forth in this Indenture with respect to offers to purchase with the proceeds of sales of assets, to purchase the maximum principal amount of Notes and such other *pari passu* Indebtedness that may be purchased out of the Excess Proceeds. The offer price in any Offer to Purchase will be equal to 100% of the Accreted Value of the Notes and such other *pari passu* Indebtedness plus accrued and unpaid interest, if any, to the date of purchase, and will be payable in cash.

(d) The Company may defer the Offer to Purchase until there are aggregate unutilized Excess Proceeds equal to or in excess of US\$10.0 million (or the Dollar Equivalent thereof) resulting from one or more Asset Sales, at which time, within 10 days thereof, the entire unutilized amount of Excess Proceeds will be applied as provided in Section 4.13(c). If any Excess Proceeds remain after consummation of an Offer to Purchase, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate Accreted Value of Notes and such other *pari passu* Indebtedness tendered into such Offer to Purchase exceeds the amount of Excess Proceeds, the Notes and such other *pari passu* Indebtedness shall be purchased on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness tendered. Upon completion of each Offer to Purchase, the Excess Proceeds subject to such Asset Sale shall no longer be deemed to be Excess Proceeds and the amount of Excess Proceeds will be reset to zero.

#### Section 4.14. *Limitation on Transactions with Shareholders and Affiliates*

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, enter into, renew or extend any transaction or arrangement (including, without limitation, the purchase, sale, lease or exchange of property or assets, or the rendering of any service) with (x) any holder (or any Affiliate of such holder) of 10.0% or more of any class of Capital Stock of the Company or (y) any Affiliate of the Company (each an “**Affiliate Transaction**”), unless:

(i) the Affiliate Transaction is on fair and reasonable terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable arm’s-length transaction by the Company or the relevant Restricted Subsidiary with a Person that is not an Affiliate of the Company or such Restricted Subsidiary; and

(ii) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$5.0 million (or the Dollar Equivalent thereof), a Board Resolution set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with this Section 4.14 and such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors. The Trustee shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$10.0 million (or the Dollar Equivalent thereof), in addition to the Board Resolution required in clause (ii)(A) above, an opinion issued by an accounting, appraisal or investment banking firm of recognized standing confirming that the terms of such Affiliate Transaction are fair from a financial point of view and are no less favorable to the Company or the relevant Restricted Subsidiary than terms available to (or from, as appropriate) a Person that is not an Affiliate of the Company. The Trustee shall be entitled to conclusively rely on such opinion as sufficient evidence thereof without any liability or responsibility to any person.

(b) The limitation set forth in Section 4.14(a) above does not limit, and shall not apply to:

(i) the payment of reasonable and customary regular fees and other compensation for the service as board members to directors of the Company or any Restricted Subsidiary who are not employees of the Company or any Restricted Subsidiary;

(ii) transactions between or among the Company and any of its Wholly Owned Restricted Subsidiaries or between or among Wholly Owned Restricted Subsidiaries;

(iii) the granting of the Chairman Share Charge by the Chairman Shares Pledgors;

(iv) the sale of the Chairman's Healthy Life Shares and the extension of a Subordinated Shareholder Loan in respect of the net proceeds of such sale, in each case in accordance with the indentures governing the Add Hero Notes;

(v) any sale of Capital Stock (other than Disqualified Stock) of the Company;

(vi) the payment of compensation to officers and directors of the Company or any Restricted Subsidiary pursuant to an employee stock or share option scheme, so long as such scheme is in compliance with the listing rules of The Stock Exchange of Hong Kong Limited, which as of the Original Issue Date requires a majority shareholder approval of any such scheme;

(vii) any sale of apartment units by the Company or a Restricted Subsidiary in the ordinary course of business to employees, officers, directors or their respective family members at a discount from the listed price not greater than that applicable generally to all employees of the Company and its Restricted Subsidiaries with respect to those apartment units; provided that (x) revenues from all such sales in any fiscal year shall not exceed 1% of the revenues for the year as shown in the consolidated financial statements of the



Company for that period prepared in accordance with GAAP and (y) any such discount shall not exceed 10% of the Fair Market Value of the relevant apartment unit; or

(viii) the transaction or series of transactions with a Strategic Investor that initially result in its designation by the Company as a Strategic Investor, including any conversion by the Strategic Investor of the Aoyuan MCB.

In addition, the requirements of clause (ii) of Section 4.14(a) shall not apply to (A) Investments (other than Permitted Investments) not prohibited by Section 4.06, (B) transactions pursuant to agreements in effect on the Original Issue Date, or any amendment or modification or replacement thereof, so long as such amendment, modification or replacement is not more disadvantageous to the Company and its Restricted Subsidiaries than the original agreement in effect on the Original Issue Date, (C) any transaction (i) between or among the Company, any Wholly Owned Restricted Subsidiary and any Restricted Subsidiary that is not a Wholly Owned Restricted Subsidiary or (ii) between or among the Company or any Restricted Subsidiary and any Minority Joint Venture; *provided* that in the case of clause (C), (1) such transaction is entered into in the ordinary course of business and (2) none of the other shareholders or other partners of or in such Restricted Subsidiary or Minority Joint Venture, if any, is a Person described in clause (x) or (y) of Section 4.14(a) (other than by reason of such other shareholder or other partner being an officer or director of such Restricted Subsidiary or Minority Joint Venture) and (D) for as long as the Common Stock of the Company remains listed on The Stock Exchange of Hong Kong Limited, any Affiliate Transaction which is not prohibited by or is conducted in compliance with the applicable listing rules of The Stock Exchange of Hong Kong Limited.

#### Section 4.15. *Limitation on the Company's Business Activities*

The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, engage in any business other than a Permitted Business; *provided, however*, that the Company or any Restricted Subsidiary may own Capital Stock of an Unrestricted Subsidiary or joint venture or other entity that is engaged in a business other than Permitted Businesses as long as any Investment therein was not prohibited when made under Section 4.06.

#### Section 4.16. *Undertaking to work with creditors onshore the PRC*

The Company shall use its best efforts to work with the Group's creditors onshore the PRC in order (i) to extend the maturities and (ii) to reduce the interest expense of the outstanding Indebtedness of the Group onshore the PRC. The Company shall procure that Aoyuan Group Company Limited (i) cure, acquire waivers in respect of or otherwise resolve any continuing defaults or events of default as of the Original Issue Date and (ii) acquire the rescission of any declaration of acceleration thereof prior to *[the date falling 36 months after the RED]*.

#### Section 4.17. *Subordination of Intercompany Claims*

The Company shall not make any payment to repay, redeem, repurchase or retire for value, set off or otherwise settle (collectively "**settle**"), any Intercompany Claims of any Restricted Subsidiaries against the Company; *provided, however*, that the prohibition under this Section 4.17 shall not extend to any Intercompany Claims which are settled by operation of law.

#### Section 4.18. *Designation of Restricted and Unrestricted Subsidiaries*

(a) The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary; *provided that*:

(i) no Default shall have occurred and be continuing at the time of or after giving effect to such designation;

(ii) neither the Company nor any Restricted Subsidiary guarantees or provides credit support for the Indebtedness of such Restricted Subsidiary;

(iii) such Restricted Subsidiary does not own any Disqualified Stock of the Company or Disqualified or Preferred Stock of another Restricted Subsidiary or hold any Indebtedness, or Lien on any property, of the Company or any Restricted Subsidiary, if such Disqualified or Preferred Stock or Indebtedness could not be Incurred under Section 4.05 or such Lien would violate Section 4.07;

(iv) such Restricted Subsidiary does not own any Voting Stock of another Restricted Subsidiary, and all of its Subsidiaries are Unrestricted Subsidiaries or are being concurrently designated as Unrestricted Subsidiaries in accordance with Section 4.18(a); and

(v) the Investment deemed to have been made thereby in such newly-designated Unrestricted Subsidiary and each other newly-designated Unrestricted Subsidiary being concurrently redesignated would be permitted to be made pursuant to paragraph (18) of the definition of "Permitted Investment".

(b) The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided that*:

(i) no Default shall have occurred and be continuing at the time of or after giving effect to such designation;

(ii) any Indebtedness of such Unrestricted Subsidiary outstanding at the time of such designation which will be deemed to have been Incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred under Section 4.05;

(iii) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly-designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred under Section 4.07;

(iv) such Unrestricted Subsidiary is not a Subsidiary of another Unrestricted Subsidiary (that is not concurrently being designated as a Restricted Subsidiary);

(v) if such Restricted Subsidiary is not organized under the laws of the PRC (other than the Non-Guarantor Subsidiaries), such Restricted Subsidiary shall upon such designation execute and deliver to the Trustee a supplemental indenture to this Indenture by which such Restricted Subsidiary shall become a Subsidiary Guarantor or a JV Subsidiary Guarantor; and

(vi) if such Restricted Subsidiary is not organized under the laws of the PRC (other than the Non-Guarantor Subsidiaries), all Capital Stock of such Restricted Subsidiary owned

by the Company or any other Restricted Subsidiary shall be pledged as required under Article X.

(c) Any designation as a Restricted Subsidiary of a Subsidiary of which 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is “controlled” and consolidated by such Person in accordance with GAAP shall be so designated in a Board Resolution based on a determination by the Board of Directors that the Company has, directly or indirectly, the requisite control over such Restricted Subsidiary to prevent it from Incurring any Indebtedness or taking any other action at any time in contravention of any of the provisions of this Indenture and the Notes that are applicable to Restricted Subsidiaries.

(d) Any designation by the Board of Directors of a Subsidiary as a Restricted Subsidiary or Unrestricted Subsidiary will be evidenced to the Trustee by promptly filing with the Trustee a copy of the Board Resolution giving effect to the designation and an Officers’ Certificate certifying that the designation complied with the foregoing provisions. The Trustee shall be entitled to conclusively rely on such board resolution and Officers’ Certificate as sufficient evidence thereof without any liability or responsibility to any person.

#### Section 4.19. *Anti-Layering*

The Company shall not Incur, and shall not permit any Subsidiary Guarantor to Incur, any Indebtedness if such Indebtedness is contractually subordinated in right of payment to any other Indebtedness of the Company or such Subsidiary Guarantor, as the case may be, unless such Indebtedness is also contractually subordinated in right of payment to the Notes or the applicable Subsidiary Guarantee on substantially identical terms; *provided* that this shall not apply to distinctions between categories of Indebtedness that exist by reason of any Liens or Guarantees securing or in favor of some but not all of such Indebtedness.

#### Section 4.20. *Provision of Financial Statements and Reports*

(a) So long as any of the Notes remain outstanding, the Company shall file with the Trustee and furnish to the Holders upon request, as soon as they are available but in any event not more than 10 calendar days after they are filed with The Stock Exchange of Hong Kong Limited or any other recognized exchange on which the Company’s Common Stock is at any time listed for trading, true and correct copies of any financial or other report in the English language filed with such exchange; *provided* that, if at any time the Common Stock of the Company ceases to be listed for trading on The Stock Exchange of Hong Kong Limited or any other recognized exchange, the Company shall file with the Trustee and furnish to the Holders (in English language):

(i) as soon as they are available, but in any event within 90 calendar days after the end of the fiscal year of the Company, copies of its financial statements (on a consolidated basis) in respect of such financial year (including a statement of income, balance sheet and cash flow statement) audited by a member firm of an internationally-recognized firm of independent accountants;

(ii) as soon as they are available, but in any event within 60 calendar days after the end of the second financial quarter of the Company, copies of its financial statements (on a consolidated basis) in respect of such half-year period (including a statement of income,

balance sheet and cash flow statement) reviewed by a member firm of an internationally-recognized firm of independent accountants; and

(iii) as soon as they are available, but in any event within 45 calendar days after the end of each of the first and third financial quarter of the Company, copies of its unaudited financial statements (on a consolidated basis), in respect of the relevant quarterly period (including a statement of income, balance sheet and cash flow statement) prepared on a basis consistent with the audited financial statements of the Company together with a certificate signed by the person then authorized to sign financial statements on behalf of the Company to the effect that such financial statements are true in all material respects and present fairly the financial position of the Company as at the end of, and the results of its operations for, the relevant quarterly period. The Trustee shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person.

(b) So long as any of the Notes remain outstanding, the Company will provide to the Trustee (1) within 120 days after the close of each fiscal year, an Officers' Certificate stating the Fixed Charge Coverage Ratio with respect to the four most recent fiscal quarter periods and showing in reasonable detail the calculation of the Fixed Charge Coverage Ratio, including the arithmetic computations of each component of the Fixed Charge Coverage Ratio, together with a certificate from the Company's external auditors verifying the accuracy and correctness of the calculation and arithmetic computation, *provided* that the Company shall not be required to provide such auditor certification if its external auditors refuse to provide such certification as a result of a policy of such external auditors not to provide such certification; and (2) as soon as possible and in any event within 30 days after the Company becomes aware or should reasonably become aware of the occurrence of a Default or an Event of Default, an Officers' Certificate setting forth the details of the Default or an Event of Default, and the action which the Company proposes to take with respect thereto. The Trustee shall be entitled to conclusively rely on any such certificates as sufficient evidence thereof without any liability or responsibility to any person.

(c) So long as any of the Notes remain outstanding, in the event that any Default occurs and is continuing, and if and to the extent that the Company fails to file with the Trustee and furnish to the Holders upon request financial reports pursuant to paragraph (a) or (b) of this Section 4.20, the Company shall grant such access to its consolidated financial statements to the Trustee as the Trustee may reasonably request upon prior written notice to the Company.

(d) Delivery of these reports and information to the Trustee is for informational purposes only and the Trustee's receipt of them will not constitute actual or constructive knowledge or notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to conclusively rely exclusively on Officers' Certificates).

#### Section 4.21. *Additional Amounts*

(a) All payments of principal of, and premium (if any) and interest on the Notes or under the Subsidiary Guarantees and the JV Subsidiary Guarantees will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company,

a Surviving Person or the applicable Subsidiary Guarantor or the applicable JV Subsidiary Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a “**Relevant Jurisdiction**”), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company, a Surviving Person or the applicable Subsidiary Guarantor or the applicable JV Subsidiary Guarantor, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Holder of each Note of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

(i) for or on account of:

(A) any tax, duty, assessment or other governmental charge that would not have been imposed but for:

(1) the existence of any present or former connection between the Holder or beneficial owner of such Note and the Relevant Jurisdiction or the jurisdiction through which payments are made other than merely holding such Note, the receipt of payments thereunder or under a Subsidiary Guarantee or a JV Subsidiary Guarantee, if any, or the enforcement of or exercise of rights thereunder or under a Subsidiary Guarantee or a JV Subsidiary Guarantee, if any, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein; or

(2) the presentation of such Note (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and interest on, such Note became due and payable pursuant to the terms thereof or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30-day period; or

(3) the failure of the Holder or beneficial owner to comply with a timely request of the Company or a Surviving Person, addressed to the Holder to provide information concerning such Holder’s or beneficial owner’s nationality, residence, identity or connection with any Relevant Jurisdiction or the jurisdiction through which payments are made, if and to the extent that due and timely compliance with such request is required under the tax law of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder; or

(4) the presentation of such Note (in cases in which presentation is required) for payment in the Relevant Jurisdiction or the jurisdiction

through which payments are made, unless such Note could not have been presented for payment elsewhere; or

(B) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge; or

(C) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (“FATCA”), any current or future Treasury Regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement with respect thereto, or any other agreement pursuant to the implementation of FATCA; or

(D) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (A)(1), (A)(2), (A)(3), (A)(4), (B) and (C); or

(ii) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction or the jurisdiction through which payments are made, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

(b) Whenever there is mentioned in any context the payment of principal, premium or interest in respect of any Note, any Subsidiary Guarantee or any JV Subsidiary Guarantee, such mention shall be deemed to include payment of Additional Amounts provided for in this Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

#### Section 4.22. *Requirements as to Payments for Consents*

The Company will not, and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid or is paid to all Holders that consent, waive or agree to amend such term or provision within the time period set forth in the solicitation documents relating to such consent, waiver or amendment.

Notwithstanding the foregoing, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes in connection with an exchange or tender offer, the Company and any Restricted Subsidiary may exclude (i) Holders or beneficial owners of the Notes that are not institutional “accredited investors” as defined in Rule 501 under the Securities Act, (ii) Holders or beneficial owners of the Notes that are located in the U.S. or are “U.S. Persons” as defined in Regulation S under the Securities Act, and (iii) Holders or beneficial owners of the Notes in any jurisdiction where

the inclusion of such Holders or beneficial owners would require the Company or any Subsidiary to comply with the registration requirements or other similar requirements under any securities laws of such jurisdiction, or the solicitation of such consent, waiver or amendment from, or the granting of such consent or waiver, or the approval of such amendment by, Holders or beneficial owners in such jurisdiction would be unlawful, in each case as determined by the Company in its sole discretion.

#### Section 4.23. Collateral Agency Agreement

(a) The Company, the Initial Pledgor, the Collateral Agent and the Trustee will enter into a collateral agency agreement dated as of [●], 20[●] (as may be amended, supplemented or modified from time to time, the “**Collateral Agency Agreement**”). By accepting the Notes, each Holder shall be deemed to have consented to its accession to the Collateral Agency Agreement, any amendments, supplements, or modifications thereto, and any future collateral agency agreement required under this Indenture.

#### Section 4.24. *Listing*

(a) The Company hereby covenants and agrees to use its best efforts to cause the Notes to be approved for listing on the SGX-ST within 60 days from the Original Issue Date and maintain such listing for so long as any Notes remain outstanding. Should the Notes become no longer eligible to be listed for trading on SGX-ST at any time prior to the Final Maturity Date, the Company shall use its best efforts to cause the Notes to be approved for listing as soon as practicable on the London Stock Exchange, the Stock Exchange of Hong Kong Limited or another stock exchange of similar international standing.

### ARTICLE 5

#### CONSOLIDATION, MERGER AND SALE OF ASSETS

##### Section 5.01. *Consolidation, Merger and Sale of Assets*

(a) The Company shall not consolidate with, merge with or merge into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries’ properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions), unless:

(i) the Company shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets (the “**Surviving Person**”) shall be a corporation organized and validly existing under the laws of the Cayman Islands, Bermuda, the British Virgin Islands or Hong Kong and shall expressly assume, by a supplemental indenture to this Indenture, executed and delivered to the Trustee, all the obligations of the Company under this Indenture, the Notes and the Security Documents, as the case may be, including the obligation to pay Additional Amounts with respect to any jurisdiction in which it is organized or resident for tax purposes (or through which it makes payments), and this Indenture, the Notes and the Security Documents, as the case may be, shall remain in full force and effect;

(ii) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a pro forma basis, the Company or the Surviving Person, as the case may be, shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;

(iv) immediately after giving effect to such transaction, the Fixed Charge Coverage Ratio (on a pro forma basis) of the Company or the Surviving Person, as the case may be, would not be less than 2.0 to 1.0; *provided, however*, that this requirement does not apply if the Fixed Charge Coverage Ratio (on a pro forma basis) shall be the same as or higher than the Fixed Charge Coverage Ratio immediately prior to such transaction;

(v) the Company delivers to the Trustee (A) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (iii) and (iv)) and (B) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in this Indenture relating to such transaction have been complied with. The Trustee shall be entitled to conclusively rely on such Officers' Certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person;

(vi) each Subsidiary Guarantor or JV Subsidiary Guarantor, unless such Subsidiary Guarantor or JV Subsidiary Guarantor is the Person with which the Company has entered into a transaction described under this Section 5.01(a), shall execute and deliver a supplemental indenture to this Indenture confirming that its Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, shall apply to the obligations of the Company or the Surviving Person in accordance with the Notes and this Indenture; and

(vii) if the Notes are rated, no Rating Decline shall have occurred.

(b) No Subsidiary Guarantor or JV Subsidiary Guarantor will consolidate with, merge with or into another Person, permit any Person to merge with or into it, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of its and its Restricted Subsidiaries' properties and assets (computed on a consolidated basis) (as an entirety or substantially an entirety in one transaction or a series of related transactions) to another Person (other than the Company or another Subsidiary Guarantor or, in the case of a JV Subsidiary Guarantor, other than to another JV Subsidiary Guarantor, the Company or a Subsidiary Guarantor), unless:

(i) such Subsidiary Guarantor or JV Subsidiary Guarantor shall be the continuing Person, or the Person (if other than it) formed by such consolidation or merger or that acquired or leased such property and assets shall be the Company, another Subsidiary Guarantor or shall become a Subsidiary Guarantor concurrently with the transaction (or, in the case of a JV Subsidiary Guarantor, another JV Subsidiary Guarantor, the Company or a Subsidiary Guarantor); and shall expressly assume, by a supplemental indenture to this Indenture, executed and delivered to the Trustee, all the obligations of such Subsidiary Guarantor or JV Subsidiary Guarantor under this Indenture, the Notes and the Security Documents, as the case may be, including the obligation to pay Additional Amounts with respect to any jurisdiction in which it is organized or resident for tax purposes or through



which it makes payments, and this Indenture, the Notes and the Security Documents, as the case may be, shall remain in full force and effect;

(ii) immediately after giving effect to such transaction, no Default shall have occurred and be continuing;

(iii) immediately after giving effect to such transaction on a pro forma basis, the Company shall have a Consolidated Net Worth equal to or greater than the Consolidated Net Worth of the Company immediately prior to such transaction;

(iv) immediately after giving effect to such transaction, the Fixed Charge Coverage Ratio (on a pro forma basis) of the Company would be not less than 2.0 to 1.0; *provided, however*, that this requirement does not apply if the Fixed Charge Coverage Ratio (on a pro forma basis) shall be the same as or higher than the Fixed Charge Coverage Ratio immediately prior to such transaction;

(v) the Company delivers to the Trustee (A) an Officers' Certificate (attaching the arithmetic computations to demonstrate compliance with clauses (iii) and (iv) of this Section 5.01(b)) and (B) an Opinion of Counsel, in each case stating that such consolidation, merger or transfer and the relevant supplemental indenture complies with this provision and that all conditions precedent provided for in this Indenture relating to such transaction have been complied with. The Trustee shall be entitled to conclusively rely on such Officers' Certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person; and

(vi) if the Notes are rated, no Rating Decline shall have occurred.

*provided* that this Section 5.01(b) shall not apply to any sale or other disposition that complies with Section 4.13 or any Subsidiary Guarantor or JV Subsidiary Guarantor whose Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, is unconditionally released in accordance with Section 11.11. The foregoing requirements shall not apply to a consolidation or merger of any Subsidiary Guarantor or JV Subsidiary Guarantor with and into the Company or any other Subsidiary Guarantor or JV Subsidiary Guarantor, so long as the Company or such Subsidiary Guarantor or JV Subsidiary Guarantor survives such consolidation or merger.

## ARTICLE 6

### DEFAULT AND REMEDIES

#### Section 6.01. *Events of Default*

Each of the following events is an “**Event of Default**” in this Indenture:

(a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise;

(b) default in the payment of interest or Additional Amounts on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days;

(c) default in the performance or breach of the provisions of Article 5, the failure by the Company to make or consummate a Change of Control Offer or an Offer to Purchase in the manner described under Section 4.12 or Section 4.13, the failure by the Company to redeem the Notes in the

manner described under Section 3.01(b) or Section 3.02(b) or the failure by the Initial Pledgor to create a first priority lien on the Collateral (subject to any Permitted Liens and the Collateral Agency Agreement) in accordance with Article 10;

(d) the Company or any Restricted Subsidiary defaults in the performance of or breaches any other covenant or agreement in this Indenture or under the Notes (other than a default specified in clause (a), (b) or (c) above) and such default or breach continues for a period of 30 consecutive days after written notice of such default or breach to the Company by the Trustee or the Holders or Beneficial Holders of 25% or more in aggregate principal amount of the Notes;

(e) there occurs (1) with respect to any Indebtedness of the Company or any Principal Subsidiary (other than a Subordinated Shareholder Loan) having an outstanding principal amount of US\$20.0 million (or the Dollar Equivalent thereof) or more in the aggregate for all such Indebtedness of all such Persons, whether such Indebtedness now exists or shall hereafter be created, (i) an event of default that has caused the holder thereof to declare such Indebtedness to be due and payable prior to its Stated Maturity and/or (ii) the failure to make a payment of principal or interest when due, *provided, however*, that the foregoing shall not apply to any default or event of default arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness; or (2) with respect to the Aoyuan MCBs, a default in respect of Condition 8(C) as set forth in the trust deed of the Aoyuan MCBs, as amended from time to time; or (3) with respect to the Aoyuan Perpetuals, any mandatory or optional redemption and/or repurchase of the Aoyuan Perpetuals;

(f) any final judgment or order for the payment of money in excess of US\$20.0 million (or the Dollar Equivalent thereof) in the aggregate for all such final judgments or orders shall be rendered against the Company or any Principal Subsidiary and shall not be paid or discharged for a period of 60 days during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect, *provided, however*, that the foregoing shall not apply to any judgments or orders arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness;

(g) an involuntary case or other proceeding is commenced against the Company or any Principal Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Principal Subsidiary or for any substantial part of the property and assets of the Company or any Principal Subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any Principal Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect, *provided, however*, that the foregoing shall not apply to any involuntary case or other proceeding arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness;

(h) the Company or any Principal Subsidiary (1) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, (2) consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Principal Subsidiary or for all or substantially all of the property and

assets of the Company or any Principal Subsidiary or (3) effects any general assignment for the benefit of creditors (other than, in each case under (2), any of the foregoing that arises from any solvent liquidation or restructuring of a Principal Subsidiary in the ordinary course of business that shall result in the net assets of such Principal Subsidiary being transferred to or otherwise vested in the Company or any Restricted Subsidiary on a pro rata basis or on a basis more favorable to the Company), *provided, however*, that the foregoing shall not apply to any voluntary case or other proceeding set forth in (1), (2) and (3) above arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness;

(i) any Subsidiary Guarantor (if any) or any JV Subsidiary Guarantor (if any) denies or disaffirms its obligations under its Subsidiary Guarantee or JV Subsidiary Guarantee or, except as permitted by this Indenture, any Subsidiary Guarantee or any JV Subsidiary Guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect;

(j) any default by the Initial Pledgor, the Company or any Subsidiary Guarantor Pledgor (if any) in the performance of any of its obligations under the Security Documents or this Indenture, which adversely affects the enforceability, validity, perfection or priority of the applicable Lien on the Collateral or which adversely affects the condition or value of the Collateral, taken as a whole, in any material respect; or

(k) the Initial Pledgor, the Company or any Subsidiary Guarantor Pledgor (if any) denies or disaffirms its obligations under any Security Document or, other than in accordance with this Indenture and the Security Documents, any Security Document ceases to be or is not in full force and effect or the Collateral Agent ceases to have a first priority security interest in the Collateral (subject to any Permitted Liens and the Collateral Agency Agreement).

#### Section 6.02. *Acceleration*

If an Event of Default (other than an Event of Default specified in clause (g) or (h) of Section 6.01) occurs and is continuing under this Indenture, the Trustee or the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the Holders or Beneficial Holders), may, and the Trustee at the written request of such Holders or Beneficial Holders shall (subject to the Trustee being indemnified and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. Upon a declaration of acceleration, such principal of, premium, if any, and accrued and unpaid interest shall be immediately due and payable. If an Event of Default specified in clause (g) or (h) of Section 6.01 occurs with respect to the Company or any Principal Subsidiary, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding shall automatically become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder or Beneficial Holder.

#### Section 6.03. *Other Remedies*

If an Event of Default occurs and is continuing, the Trustee may, and shall upon written request of Holders or Beneficial Holders of at least 25% in aggregate principal amount of outstanding Notes (subject to the Trustee being indemnified and/or pre-funded to the reasonable

satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), pursue in its own name or as trustee of an express trust, any available remedy by proceeding at law or in equity to collect the payment of principal of and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture. The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. In addition, if an Event of Default occurs and is continuing, the Trustee or the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding may, and the Trustee shall upon written request of such Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding (subject to the Trustee being indemnified and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), deliver an enforcement instruction to the Collateral Agent instructing the Collateral Agent to foreclose on the Collateral in accordance with the terms of the Security Documents and take such further action on behalf of the Holders or Beneficial Holders of the Notes with respect to the Collateral as the Trustee deems appropriate or as instructed by the Trustee or such Holders or Beneficial Holders.

#### Section 6.04. *Waiver of Past Defaults*

The Holders or Beneficial Holders of at least a majority in aggregate principal amount of the outstanding Notes by written notice to the Company and to the Trustee may on behalf of all Holders or Beneficial Holders waive all past Defaults (except a Default or Event of Default (i) in respect of the payment of principal, premium or interest, if any; or (ii) in respect of a covenant or provision hereof which under Section 9.02 cannot be modified, amended or waived without the consent of 75% in principal amount of the outstanding Notes; in each case of (i) and (ii), which may only be waived with the consent of the Holders or Beneficial Holders of at least 75% of the principal amount of the Notes then outstanding) and rescind and annul a declaration of acceleration and its consequences if the rescission would not conflict with any judgment or decree of a court of competent jurisdiction. Upon such waiver, the Default will cease to exist, and any Event of Default arising therefrom will be deemed to have been cured, but no such waiver will extend to any subsequent or other Default or impair any right consequent thereon.

#### Section 6.05. *Control by Majority*

The Holders or Beneficial Holders of at least a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, *provided* that it is indemnified and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture, that may involve the Trustee in personal liability, or that the Trustee determines in good faith may be unduly prejudicial to the rights of Holders or Beneficial Holders not joining in the giving of such direction and may take any other action it deems proper that is not inconsistent with any such direction received from Holders or Beneficial Holders.

#### Section 6.06. *Limitation on Suits*

A Holder or Beneficial Holder of Notes may not pursue any remedy with respect to this Indenture or the Notes unless:

(a) the Holder or Beneficial Holder has previously given the Trustee written notice of a continuing Event of Default;

(b) the Holders or Beneficial Holders of at least 25% in aggregate principal amount of outstanding Notes make a written request to the Trustee to pursue the remedy;

(c) such Holder(s) or Beneficial Holder(s) offer the Trustee indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against any costs, liability or expense to be incurred in compliance with such written request;

(d) the Trustee does not comply with such request within 60 days after receipt of such written request and the offer of indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action; and

(e) during such 60-day period, the Holders or Beneficial Holders of a majority in aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

#### *Section 6.07. Rights of Holders to Receive Payment*

Notwithstanding anything herein to the contrary save for any amendment or waiver as provided in Section 6.04 or Section 9.02, the right of any Holder or Beneficial Holder to receive payment of the principal of, premium, if any, or interest on, such Note, or to bring suit for the enforcement of any such payment, on or after the due date expressed in the Notes, shall not be impaired or affected without the consent of such Holder or Beneficial Holder.

#### *Section 6.08. Compliance Certificate*

The Company will submit an Officers' Certificate to the Trustee, in substantially the form attached hereto as Exhibit G, on or before a date not more than 120 days after the end of each fiscal year, that a review has been conducted of the activities of the Company and its Restricted Subsidiaries and the Company's and its Restricted Subsidiaries' performance under this Indenture, the Collateral Agency Agreement and the Security Documents and that the Company and the Restricted Subsidiaries have fulfilled all obligations hereunder, or, if there has been a default in the fulfilment of any such obligation, specifying each such default and the nature and status thereof. The Trustee shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person.

#### *Section 6.09. Collection Suit by Trustee*

If an Event of Default in payment specified in Section 6.01(a) or Section 6.01(b) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust for the whole amount remaining unpaid, together with interest on overdue principal or premium and, to the extent lawful, overdue installments of interest reasonably incurred, in each case at the rate specified in the Notes, and such further amount as is sufficient to cover the costs and expenses of

collection, including the compensation and other properly incurred expenses, disbursements and advances of the Trustee, its agents and counsel and any other amounts due the Trustee hereunder.

Section 6.10. *Trustee May File Proofs of Claim*

The Trustee may file proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee hereunder) and the Holders allowed in any judicial proceedings relating to the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor or their respective creditors or property, and is entitled and empowered to collect, receive and distribute any money, securities or other property payable or deliverable upon conversion or exchange of the Notes or upon any such claims. Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, if the Trustee consents to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due to the Trustee hereunder. Nothing in this Indenture will be deemed to empower the Trustee to authorize or consent to, or accept or adopt on behalf of any Holder, any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.11. *Priorities*

(a) At any time during which the Collateral Agency Agreement is in force, the Trustee agrees that any money collected upon enforcement of the Collateral shall be distributed in accordance with the Collateral Agency Agreement.

(b) Any money collected by the Trustee other than upon enforcement of Collateral or at any time during which the Collateral Agency Agreement is not in force shall be distributed in the following order:

*first*, to the Trustee and the Agents for all amounts due hereunder;

*second*, to the Trustee for the benefit of Holders for amounts then due and unpaid for principal of, or premium, if any, or interest on, the Notes, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium (if any) and interest; and

*third*, any surplus remaining after such payments will be paid to the Company, the Subsidiary Guarantors (if any) or to whomever may be lawfully entitled thereto.

(c) Any money collected by the Trustee other than upon enforcement of Collateral shall be paid out in the following order:

*first*, payment to the Trustee, the Agents and any attorney or agent appointed under this Indenture, for any unpaid fees, costs and expenses properly incurred by it;

*second*, payment to the Trustee for the benefit of the holders of the Notes, ratably (including the principal, interest and premium thereon); and

*third*, any surplus remaining after such payments will be paid to the Company or the Subsidiary Guarantors (if any) or to whomever may be lawfully entitled thereto.

The Trustee, upon written notice to the Company, may fix a record date and payment date for any payment to Holders pursuant to this Section 6.11.

#### Section 6.12. *Restoration of Rights and Remedies*

If the Trustee or any Holder or Beneficial Holder has instituted a proceeding to enforce any right or remedy under this Indenture and the proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to the Holder or Beneficial Holder, then, subject to any determination in the proceeding, the Company, any Subsidiary Guarantors, any JV Subsidiary Guarantors, the Trustee and the Holders or Beneficial Holders will be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Company, any Subsidiary Guarantors, any JV Subsidiary Guarantors, the Trustee and the Holders or Beneficial Holders will continue as though no such proceeding had been instituted.

#### Section 6.13. *Undertaking for Costs*

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court may require any party litigant in such suit (other than the Trustee) to file an undertaking to pay the costs of the suit, and the court may assess reasonable costs, including reasonable attorneys' fees, against any party litigant (other than the Trustee) in the suit having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.13 does not apply to a suit by a Holder or Beneficial Holder to enforce payment of principal of or interest on any Note on the respective due dates, or a suit by Holders or Beneficial Holders of more than 10% in principal amount of the outstanding Notes.

#### Section 6.14. *Rights and Remedies Cumulative*

No right or remedy conferred or reserved to the Trustee or to the Holders or Beneficial Holders under this Indenture is intended to be exclusive of any other right or remedy, and all such rights and remedies are, to the extent permitted by law, cumulative and in addition to every other right and remedy hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or exercise of any right or remedy hereunder, or otherwise, will not prevent the concurrent assertion or exercise of any other right or remedy.

#### Section 6.15. *Delay or Omission Not Waiver*

No delay or omission of the Trustee or of any Holder or Beneficial Holder to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article 6 or by law to the Trustee or to the Holders or Beneficial Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders or Beneficial Holders, as the case may be.

#### Section 6.16. *Waiver of Stay, Extension or Usury Laws*

Each of the Company, Subsidiary Guarantors and JV Subsidiary Guarantors covenants, to the extent that it may lawfully do so, that it shall not at any time insist upon, or plead, or in any

manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury law or other law that would prohibit or forgive the Company, such Subsidiary Guarantor or such JV Subsidiary Guarantor, as the case may be, from paying all or any portion of the principal of, or premium or interest on the Notes as contemplated herein, wherever enacted, now or at any time hereafter in force, or that may affect the covenants or the performance of this Indenture. Each of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors hereby expressly waives, to the extent that it may lawfully do so, all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

## **ARTICLE 7**

### **THE TRUSTEE**

#### *Section 7.01. General*

(a) The duties and responsibilities of the Trustee are as set forth herein. Whether or not expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to this Article.

(b) Except during the continuance of an Event of Default, the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee. In case an Event of Default has occurred and is continuing and the Trustee has received written notice thereof pursuant to Section 7.05, the Trustee shall exercise those rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs. During the continuance of an Event of Default, the Trustee shall act upon the written direction of the Holders or Beneficial Holders of at least 25% of the aggregate principal amount then outstanding, subject to it receiving indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action.

(c) Should the Trustee become a creditor of the Company or any of the Subsidiary Guarantors or JV Subsidiary Guarantors, the rights of the Trustee to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims as security or otherwise will be limited. The Trustee is permitted to engage in other transactions with the Company and its Affiliates; *provided, however*, that if it acquires any conflicting interest, it must eliminate such conflict or resign.

(d) None of the Trustee, the Agents or the Collateral Agent nor any of their respective officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value, title, adequacy or protection of any Collateral securing the Notes, for the legality, validity, enforceability, effectiveness or sufficiency of the Security Documents, for the creation, perfection, priority, sufficiency or protection of any of the Liens created pursuant to the Security Documents, or for any defect or deficiency as to any such matters, or for any failure to demand, collect, foreclose or realize upon or otherwise enforce any of such Liens or Security Documents or any delay in doing so, except as a result of the Agent's own fraud, gross negligence or willful misconduct.



(e) The Trustee, the Agents and the Collateral Agent shall not be deemed to have knowledge of any Default or Event of Default unless it has been notified of such Default or Event of Default in writing.

(f) Neither the Trustee nor the Collateral Agent will be under any obligation to exercise any rights or powers conferred under this Indenture or any of the Security Documents for the benefit of the Holders or Beneficial Holders, unless the requisite number of Holders or Beneficial Holders have instructed the Trustee in writing and have offered to the Trustee and/or the Collateral Agent indemnity and/or pre-funding to the reasonable satisfaction of the Trustee and/or the Collateral Agent, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee and/or the Collateral Agent in taking an instruction or a requested action against any loss, liability or expense.

(g) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own fraud, its own gross negligence or its own willful misconduct, except that the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.02 or 6.05.

(h) Notwithstanding anything herein to the contrary, the Trustee shall not be responsible to any Person for failing to request, require or receive any account statement pursuant to any Security Document or for failing to check or comment upon the accuracy of such account statements and shall have no responsibility for the contents of any account statement prepared pursuant to any Security Document and, for the avoidance of doubt, it is intended that the Trustee shall not check or comment on any such account statement.

(i) Unless the Trustee receives prior written notice from the Company or any of the Holders or Beneficial Holders, the Trustee shall be entitled to assume, without any further inquiry, that the Company and the Subsidiary Guarantors (if any) have duly performed all of their respective obligations in accordance with this Indenture, including each of the exhibits attached hereto.

(j) Notwithstanding anything herein to the contrary, the Trustee and the Collateral Agent shall not be responsible for recitals, statements, certifications, opinions, resolutions, warranties or representations of any party contained in this Indenture or any other agreement or other document, including the Security Documents, entered into in connection herewith or therewith and shall assume the accuracy and correctness thereof and shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity or enforceability or admissibility in evidence of any such agreement or other document or any trust or security thereby constituted or evidenced, and the Trustee and the Collateral Agent may accept without enquiry, requisition or objection such title as the Company may have to the property charged or assigned pursuant to the Security Documents or any part thereof from time to time and shall not be bound to investigate or make any enquiry into the title of the Company to such property or any part thereof from time to time whether or not any default or failure is or was known to the Trustee and the Collateral Agent or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy. Notwithstanding the generality of the foregoing, each Holder or Beneficial Holder shall be solely responsible for making its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Company, any Subsidiary Guarantor and any JV Subsidiary Guarantor, and the Trustee shall not at any time have any

responsibility for the same and each Holder or Beneficial Holder shall not rely on the Trustee in respect thereof.

(k) The Trustee shall not be responsible for any error of judgment made in good faith by it unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts.

(l) Under no circumstances will the Trustee be responsible or liable, directly or indirectly, for any special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of business, goodwill, opportunity or profit), whether or not foreseeable, irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action. The provisions of this Section 7.01(l) shall survive the redemption or maturity of the Notes, the termination or expiry of this Indenture or the resignation or removal of the Trustee.

*Section 7.02. Certain Rights of Trustee and Other Agents*

Subject to Section 7.01:

(a) In the absence of bad faith on its part, the Trustee may conclusively rely, and will be protected in acting or refraining from acting, upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document (whether in original or facsimile form) and believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document, but, in the case of any document which is specifically required to be furnished to the Trustee pursuant to any provision hereof, the Trustee shall examine the document to determine whether it conforms to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein). The Trustee, in its sole and absolute discretion, may make further inquiry or investigation into such facts or matters as it sees fit.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel conforming to Sections 12.03 and 12.04 and the Trustee will be entitled to conclusively rely on such Officers' Certificate and Opinion of Counsel as sufficient evidence thereof and will not be liable or responsible for any action it takes or omits to take in good faith in reliance on such certificate or opinion.

(c) The Trustee may act through its attorneys, delegates and agents and will not be responsible for the misconduct or negligence of any attorney, delegate or agent appointed with due care by it hereunder. To the extent an attorney, delegate or agent has been named by the Trustee in connection with this Indenture, the parties hereto shall cooperate to ensure that such attorney, delegate or agent can perform the duties for which it was appointed. Upon an Event of Default, the Trustee shall be entitled to require all attorneys, delegates and agents (including, the Agents) to act solely in accordance with its directions.

(d) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture or enforce any of the terms of this Indenture at the request or direction of any of the Holders or Beneficial Holders, unless the requisite number of Holders or Beneficial Holders have instructed the Trustee in writing and offered to the Trustee indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated

costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against any loss, liability or expenses that might be incurred by it in compliance with such request or direction.

(e) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within its rights or powers or for any action it takes or omits to take in accordance with the direction of the Holders or Beneficial Holders in accordance with Section 6.02 or 6.05 relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(f) The Trustee may consult with counsel or other professional advisors of its selection, and the written advice of such counsel or advisors or any Opinion of Counsel will be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(g) No provision of this Indenture will require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties hereunder, or in the exercise of its rights or powers, unless it receives indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against any loss, liability or expense.

(h) If any Subsidiary Guarantor or JV Subsidiary Guarantor is substituted to make payments on behalf of the Company pursuant to Article 11, the Company shall promptly notify the Trustee and any clearing house through which the Notes are traded of such substitution.

(i) The Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate. The Trustee shall be entitled to conclusively rely on such Officers' Certificate as sufficient evidence thereof without any liability or responsibility to any person.

(j) In connection with the exercise by it of its trusts, powers, authorities or discretions (in including, without limitation, any modification, waiver, authorization or determination), the Trustee shall have regard to the general interests of the Holders as a class but shall not have regard to any interests arising from circumstances particular to individual Holders (whatever their number) and in particular, but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers, authorities or discretions for individual Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any country, state or territory and a Holder shall not be entitled to require, nor shall any Holder be entitled to claim, from the Company, the Trustee or any other Person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Holders except to the extent already provided in Section 4.21 and/or any undertaking given in addition to, or in substitution for, Section 4.21 pursuant to this Indenture.

(k) The Trustee may take and instruct any action to be taken which it considers appropriate so as to comply with any applicable law, regulation, request of a public or regulatory

authority or any internal policy applicable to the Trustee (including any “Know Your Client” and/or other compliance policy) which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities.

(l) The Trustee will treat information relating to the Company, the Subsidiary Guarantors (if any) and the JV Subsidiary Guarantors (if any) as confidential, but the Trustee may disclose such information as it considers appropriate for internal use only to any of its affiliates, its head office and any other branch of the Trustee, each other party to this Indenture (each a “**Party**”) and any other person:

(i) to (or through) whom any Party assigns or transfers all or any of its rights and obligations under this Indenture;

(ii) who is an employee or officer of any Party (where such disclosure is reasonably required for the performance of the duties or functions of the Trustee or such employee or officer); or

(iii) who is an agent, contractor or third party service provider to any Party who is under a duty of confidentiality to such Party,

*provided* that each Party and any such other person also agrees to treat information relating to the Company, the Subsidiary Guarantors (if any) and the JV Subsidiary Guarantors (if any) as confidential.

Notwithstanding anything herein to the contrary, the Trustee, each Party and any other person indicated in this Section 7.02(l) may transfer and disclose any such information as required by any law, court regulator or legal process, after prior written notice to the Company, to the extent not prohibited by law. Moreover, the Company hereby consents and authorises each of the Trustee and the Collateral Agent to disclose to Holders or Beneficial Holders who have provided proof of holding satisfactory to the Trustee or, as the case may be, the Collateral Agent copies of this Indenture, the Collateral Agency Agreement, each Security Document, any amendments to any of the foregoing and any document provided to it pursuant to any of the foregoing (including without limitation notices, financial statements and compliance certificates) relating to the Company. The Trustee may without liability send copies of this Indenture, the Collateral Agency Agreement, each Security Document and information as aforesaid regarding the Company to any Holder or Beneficial Holder (upon satisfactory proof of holding) by electronic mail to such email address as may be provided to it by such Holder or Beneficial Holder. The Company represents that it has provided to and secured from any person regarding whom it has provided information to the Trustee or, as the case may be, the Collateral Agent any notices, consents and waivers necessary to permit the processing, transfer and disclosure of that information as permitted by this Section 7.02(l) and that it will provide such notices and secure such necessary consents and waivers in advance of providing similar information to the Trustee in the future.

(m) The Trustee and any of its officers, directors and employees may become the owner of, or acquire any interest in any Notes with the same rights that it or he would have if the Trustee were not appointed hereunder, and may engage or be interested in any financial or other transaction with the Company and may act on, or as depositary, trustee or agent for, any committee or body of

holders of Notes or in connection with any other obligations of the Company as freely as if the Trustee were not appointed hereunder.

(n) Any obligation the Company (and each Agent on its behalf) may have to publish a notice to Holders shall have been met upon delivery of the notice to the relevant clearing system.

(o) Any notices provided by the Company to the Trustee or each Agent shall be in the English language or accompanied with a certified English translation.

(p) The Company hereby irrevocably waives, in favor of the Trustee, any conflict of interest which may arise by virtue of the Trustee acting in various capacities under the Indenture or for other customers of the Trustee. The Company acknowledges that the Trustee and its affiliates (together, the “**Trustee Parties**”) may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) other than as a result of the Trustee, acting hereunder, that the Trustee may not be entitled to share with the Company. The Trustee will not disclose confidential information obtained from the Company (without its consent) to any of the Trustee’s other customers nor will the Trustee use on the Company’s behalf any confidential information obtained from any other customers. Without prejudice to the foregoing, the Company agrees that the Trustee may deal (whether for their own or their customers’ account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Indenture.

(q) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders or Beneficial Holders, unless Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes (or, if the relevant transaction document stipulates the matter is a decision for any other party or group of parties, from such party or group of parties) have instructed it in writing and offered to the Trustee security and/or indemnity to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against any loss, liability or expense that might be incurred by it in compliance with such request or direction.

(r) The Trustee shall be entitled to request instructions, or clarifications, from the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the outstanding Notes (or, if the relevant transaction document stipulates the matter is a decision for any other party or group of parties, from such party or group of parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion. The Trustee may refrain from acting unless and until it receives any such instruction or clarification that it has requested.

#### *Section 7.03. Individual Rights of Trustee*

The Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not the Trustee and nothing herein shall obligate the Trustee to account for any profits earned from any business or transactional relationship. Any Agent may do the same with like rights.

#### *Section 7.04. Trustee’s Disclaimer*

The Trustee makes no representation as to the validity or adequacy of this Indenture, the Notes, the Guarantee of any Subsidiary Guarantor or any JV Subsidiary Guarantor, (1) is not accountable for the Company's use or application of the proceeds from the Notes, (2) is not responsible for any statement in the Notes other than its certificate of authentication and (3) shall not have any responsibility for the Company's or any Holder's compliance with any securities law in connection with the Notes.

*Section 7.05. Notice of Default*

If any Default occurs and is continuing and notified to the Trustee in writing, the Trustee will send notice of the Default to each Holder within 90 days after it occurs, or, if later, within 15 days after it is notified to the Trustee in writing unless the Default has been cured. The Trustee, the Collateral Agent and the Agents shall not be deemed to have knowledge of a Default or Event of Default unless and until it obtains written notification of such Default or Event of Default describing the circumstances of such, and identifying the circumstances constituting such Default or Event of Default.

*Section 7.06. Compensation and Indemnity*

(a) The Company, the Subsidiary Guarantors (if any) and/or the JV Subsidiary Guarantors (if any) agree to be jointly and severally responsible for and will pay the Trustee compensation as agreed upon in writing for its services. The compensation of the Trustee is not limited by any law on compensation of a trustee of an express trust. The Company, the Subsidiary Guarantors (if any) and/or the JV Subsidiary Guarantors (if any) will, jointly and severally, reimburse the Trustee upon request for all out-of-pocket expenses, disbursements and advances (including costs of collection) properly incurred or made by the Trustee, including the compensation, expenses and disbursements of the Trustee's agents and counsel and other Persons not regularly within its employ.

(b) Each of the Company, any Subsidiary Guarantors and/or any JV Subsidiary Guarantors agree to be jointly and severally responsible for and will indemnify the Trustee or any predecessor Trustee and their agents, employees, officers and directors for, and hold it harmless against, any loss or liability or expense incurred by it without fraud, gross negligence or willful misconduct on its part arising out of or in connection with the acceptance or administration of this Indenture and its duties under this Indenture and the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees, as the case may be, including (1) the costs and expenses of defending itself against any claim or liability and of complying with any process served upon it or any of its officers in connection with the exercise or performance of any of its powers or duties under this Indenture and the Notes and (2) the compensation, expenses and disbursements of the Trustee's agents and counsel and other Persons not regularly within the Trustee's employ.

(c) To secure the Company's, the Subsidiary Guarantor's and/or the JV Subsidiary Guarantors' payment obligations in this Section 7.06, the Trustee will have a lien prior to the Notes on all money or property held or collected by the Trustee, in its capacity as Trustee, except money or property held in trust to pay principal of, and interest on particular Notes.

(d) This Section 7.06 shall survive the redemption or maturity of the Notes, the termination of this Indenture, and the termination of the appointment of the Trustee.

Section 7.07. *Replacement of Trustee*

- (a) (i) The Trustee may resign at any time by written notice to the Company.
- (ii) The Holders or Beneficial Holders of a majority in principal amount of the outstanding Notes may remove the Trustee by written notice to the Trustee.
- (iii) If any of the Notes has become immediately due and payable in accordance with Section 6.01 and Section 6.02, the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding may remove the Trustee by written notice to the Trustee.
- (iv) The Company may remove the Trustee if: (1) the Trustee is adjudged a bankrupt or an insolvent; (2) a receiver or other public officer takes charge of the Trustee or its property; or (3) the Trustee becomes incapable of acting.

A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(b) If the Trustee has been removed by the Holders or Beneficial Holders in accordance with paragraph (a)(ii) above, Holders or Beneficial Holders of a majority in principal amount of the Notes may appoint a successor Trustee of recognized international standing; *provided, however*, that the fees and expenses of such successor Trustee shall be the same as those of the outgoing Trustee. If the Trustee has been removed by the Holders or Beneficial Holders in accordance with paragraph (a)(iii) above, Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding may appoint a successor Trustee. Otherwise, if the Trustee resigns or is removed, or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. If the successor Trustee does not deliver its written acceptance within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee (at the expense of the Company), the Company or the Holders of a majority in principal amount of the outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(c) Upon delivery by the successor Trustee of a written acceptance of its appointment to the retiring Trustee and to the Company, (i) the retiring Trustee will transfer all property and documents held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.06, (ii) the resignation or removal of the retiring Trustee will become effective, and (iii) the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. Upon request of any successor Trustee, the Company will execute any and all instruments for fully vesting in and confirming to the successor Trustee all such rights, powers and trusts. The Company will give notice of any resignation and any removal of the Trustee and each appointment of a successor Trustee to all Holders, and include in the notice the name of the successor Trustee and the address of its Corporate Trust Office.

(d) Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Company's obligations under Section 7.06 will continue for the benefit of the retiring Trustee.

Section 7.08. *Successor Trustee by Consolidation, Merger, Conversion or Transfer*

If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business or assets (including the administration of the trust created by this Indenture) to, another corporation or national banking association, the resulting, surviving or transferee corporation or national banking association without any further act will be the successor Trustee with the same effect as if the successor Trustee had been named as the Trustee in this Indenture.

Section 7.09. *Money Held in Trust*

The Trustee will not be liable for interest on any money received by it except as it may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law and except for money held in trust under Article 8.

**ARTICLE 8**  
**DEFEASANCE AND DISCHARGE**

Section 8.01. *Defeasance and Discharge of Indenture*

(a) The Company shall be deemed to have paid and shall be discharged from any and all obligations in respect of the Notes on the 183<sup>rd</sup> day after the deposit referred to in clause (i) of this Section 8.01(a) has been made, and the provisions of this Indenture and the Security Documents will no longer be in effect with respect to the Notes, except as to (1) rights of registration of transfer and exchange; (2) substitution of apparently mutilated, defaced, destroyed, lost or stolen Notes; (3) obligations to maintain paying agencies; (4) obligations to pay Additional Amounts; and (5) the rights of the Holders as beneficiaries hereof with respect to the monies so deposited with the Trustee payable to all or any of them; *provided* that the following conditions shall have been satisfied:

(i) the Company (a) has deposited with the Trustee (or its agent), in trust, money in U.S. dollars and/or U.S. Government Obligations or any combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in U.S. dollars in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of this Indenture and the Notes and (b) has delivered to the Trustee an Opinion of Counsel or a certificate of an internationally recognized firm of independent accountants to the effect that the amount deposited by the Company is sufficient to provide payment for the principal of, premium, if any, and accrued interest on, the Notes on the Stated Maturity of such payment in accordance with the terms of this Indenture. The Trustee shall be entitled to conclusively rely on such certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person;

(ii) to the extent that the defeasance trust is organized under the laws of the United States (or any state thereof) or at the request of the Trustee, the Company has delivered to the Trustee an Opinion of Counsel of recognized standing internationally to the effect that the creation of the defeasance trust does not violate the U.S. Investment Company Act of 1940, as amended, and after the passage of 123 days following the deposit, the trust fund will not be subject to the effect of Section 547 of the United States Bankruptcy Code or Section 15 of the New York Debtor and Creditor Law. The Trustee shall be entitled to



conclusively rely on such Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person; and

(iii) immediately after giving effect to such deposit on a pro forma basis, no Event of Default, or event that after the giving of notice or lapse of time or both would become an Event of Default, shall have occurred and be continuing on the date of such deposit or during the period ending on the 183<sup>rd</sup> day after the date of such deposit, and such defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company or any Restricted Subsidiary is a party or by which the Company or any Restricted Subsidiary is bound, as to which the Company shall provide the Trustee with an Officer's Certificate, on which the Trustee shall be entitled to conclusively rely as sufficient evidence thereof without any liability or responsibility to any person.

(b) In the case of either discharge or defeasance of the Notes, the Subsidiary Guarantees and JV Subsidiary Guarantees will terminate.

#### Section 8.02. *Covenant Defeasance*

The Company may omit to comply with any term, provision or condition set forth in, and this Indenture will no longer be in effect with respect to, clauses (iii), (iv), (v)(A) and (vii) of Section 5.01(a) and clauses (iii), (iv), (v)(A) and (vi) of Section 5.01(b), Sections 4.05, 4.06, 4.07, 4.08, Section 4.09, 4.10, 4.11, 4.13, 4.14, 4.15, 4.16, 4.18, 4.20, clause (c) of Section 6.01 with respect to such clauses (iii), (iv), (v)(A) and (vii) of Section 5.01(a) and clauses (iii), (iv), (v)(A) and (vi) of Section 5.01(b), clause (d) of Section 6.01 with respect to such other covenants and clauses (e) and (f) of Section 6.01 shall be deemed not to be Events of Default; *provided* the following conditions have been satisfied:

(a) The Company has deposited with the Trustee (or its agent), in trust, of money in U.S. dollars and/or U.S. Government Obligations or any combination thereof that through the payment of interest and principal in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of, premium, if any, and accrued interest on the Notes on the Stated Maturity of such payments in accordance with the terms of this Indenture and the Notes and has delivered to the Trustee an Opinion of Counsel or a certificate of an internationally recognized firm of independent accountants to the effect that the amount deposited by the Company is sufficient to provide payment for the principal of, premium, if any, and accrued interest on, the Notes on the Stated Maturity of such payment in accordance with the terms of the Indenture and the Notes. The Trustee shall be entitled to conclusively rely on such certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person; and

(b) To the extent that the defeasance trust is organized under the laws of the United States (or any state thereof) or at the request of the Trustee, the Company has delivered to the Trustee an Opinion of Counsel of recognized standing internationally to the effect that the creation of the defeasance trust does not violate the U.S. Investment Company Act of 1940, as amended, and after the passage of 123 days following the deposit, the trust fund will not be subject to the effect of Section 547 of the United States Bankruptcy Code or Section 15 of the New York Debtor and Creditor Law.

#### Section 8.03. *Application of Trust Money*

Subject to Section 8.04, the Trustee will hold, in trust, the money in U.S. dollars, U.S. Government Obligations or any combination thereof deposited with it pursuant to Section 8.01 or 8.02, and apply the deposited money and the proceeds from deposited U.S. Government Obligations to the payment of principal of and premium or interest on the Notes in accordance with the Notes and this Indenture. Such money in U.S. dollars, U.S. Government Obligations or combination thereof will be segregated from other funds.

*Section 8.04. Repayment to Company*

Subject to Sections 7.06, 8.01 and 8.02, the Trustee will promptly pay to the Company upon written request by the Company in the form of an Officers' Certificate any excess money held by the Trustee at any time and thereupon be relieved from all liability with respect to such money. The Trustee will pay to the Company upon written request by the Company in the form of an Officers' Certificate any money held for payment with respect to the Notes that remains unclaimed for two years, *provided* that before making such payment the Trustee may at the expense of the Company publish once in a newspaper of general circulation in Hong Kong, or send to each Holder entitled to such money, notice that the money remains unclaimed and that after a date specified in the notice (at least 30 days after the date of the publication or notice) any remaining unclaimed balance of money will be repaid to the Company. After payment to the Company, Holders entitled to such money must look solely to the Company for payment, unless applicable law designates another Person, and all liability of the Trustee with respect to such money will cease.

*Section 8.05. Reinstatement*

If and for so long as the Trustee is unable to apply any money or U.S. Government Obligations held in trust pursuant to Section 8.01 or 8.02 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Notes will be reinstated as though no such deposit in trust had been made. If the Company makes any payment of principal of or interest on any Notes because of the reinstatement of its obligations, it will be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Obligations held in trust.

*Section 8.06. Satisfaction and Discharge*

(a) This Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes, as expressly provided for Section 8.01(a)) as to all outstanding Notes when:

(i) either: (x) all of the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust by the Company and thereafter repaid to the Company) have been delivered to the Paying Agent for cancellation; or (y) all Notes not theretofore delivered to the Paying Agent for cancellation have become due and payable pursuant to an optional redemption notice or otherwise or will become due and payable within one year, and the Company or any Subsidiary Guarantor has irrevocably deposited or caused to be deposited with the Trustee (or its agent) funds, in cash in U.S. dollars, non-callable U.S. Government Obligations or a combination thereof, in an amount sufficient to pay and discharge the entire indebtedness on the Notes not theretofore delivered to the

Paying Agent for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable instructions from the Company directing the Paying Agent to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(ii) the Company or any Subsidiary Guarantor has paid all other sums payable under this Indenture by the Company; and

(iii) no Default or Event of Default will have occurred and be continuing on the date of such deposit or will occur as a result of such deposit and such deposit will not result in a breach or violation of, or constitute a default under, any other instruments to which the Company or any Subsidiary Guarantor is a party or by which the Company or any Subsidiary Guarantor is bound.

(b) The Trustee shall acknowledge the satisfaction and discharge of this Indenture if the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge of this Indenture have been complied with. The Trustee shall be entitled to conclusively rely on Officers' certificate and Opinion of Counsel sufficient evidence thereof without any liability or responsibility to any person.

## **ARTICLE 9**

### **AMENDMENTS, SUPPLEMENTS AND WAIVERS**

#### *Section 9.01. Amendments without Consent of Holders*

(a) This Indenture, the Collateral Agency Agreement, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Notes or any Security Document may be amended, without the consent of any Holder, to:

(i) cure any ambiguity, defect, omission or inconsistency in this Indenture, the Notes, the Collateral Agency Agreement or any Security Document;

(ii) comply with Article 5;

(iii) evidence and provide for the acceptance of appointment by a successor Trustee or Collateral Agent;

(iv) add any Subsidiary Guarantor or JV Subsidiary Guarantor, or any Subsidiary Guarantee or JV Subsidiary Guarantee, or release any Subsidiary Guarantor or JV Subsidiary Guarantor from any Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, as provided or permitted by the terms of this Indenture;

(v) add any Subsidiary Guarantor Pledgor or release the Initial Pledgor or any Subsidiary Guarantor Pledgor as provided or permitted by the terms of this Indenture;

(vi) add additional Collateral to secure the Notes, any Subsidiary Guarantee and any JV Subsidiary Guarantee and create or register Liens on such additional Collateral;

(vii) in any other case where a supplemental indenture to this Indenture is required or permitted to be entered into pursuant to the provisions of this Indenture without the consent of any Holder;

(viii) make any other change that in the good faith opinion of the Board of Directors provides additional rights or benefits to Holders or that does not materially and adversely affect the rights of any Holder; or

(ix) effect any changes to this Indenture in a manner necessary to comply with the procedures of Euroclear, Clearstream or the relevant clearing system.

Section 9.02. *Amendments with Consent of Holders*

(a) Amendments of this Indenture, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Notes, the Collateral Agency Agreement or any Security Document may be made by the Company, the Subsidiary Guarantors, the JV Subsidiary Guarantors and the Trustee and the Collateral Agent with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Notes and the Holders of a majority in principal amount of the outstanding Notes may waive future compliance by the Company with any provision of the Notes, this Indenture, the Collateral Agency Agreement, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any) and the Security Documents; *provided, however*, that no such modification, amendment or waiver may, without the consent of Holders which in the aggregate hold 75% of the outstanding principal amount of the Notes at such time:

(i) change the Stated Maturity of the principal of, or any installment of interest on, any Note;

(ii) reduce the principal amount of, or premium, if any, or interest on, any Note;

(iii) change the currency of payment of principal of, or premium, if any, or interest on, any Note;

(iv) impair the right to institute suit for the enforcement of any payment on or after the Stated Maturity (or, in the case of a redemption, on or after the redemption date) of any Note or any Subsidiary Guarantee;

(v) reduce the above-stated percentage of outstanding Notes the consent of whose Holders is necessary to modify or amend this Indenture;

(vi) waive a default in the payment of principal of, premium, if any, or interest on the Notes;

(vii) release any Subsidiary Guarantor or JV Subsidiary Guarantor from its Subsidiary Guarantee or JV Subsidiary Guarantee, as the case may be, except as provided in this Indenture;

(viii) release any Collateral, except as provided in this Indenture, the Collateral Agency Agreement and the Security Documents;

(ix) reduce the percentage or aggregate principal amount of outstanding Notes the consent of whose Holders is necessary for waiver of compliance with certain provisions of this Indenture or for waiver of certain defaults;

(x) amend, change or modify any Subsidiary Guarantee or any JV Subsidiary Guarantee in a manner that adversely affects the Holders;

(xi) amend, change or modify any provision of the Collateral Agency Agreement, any Security Document or any provision of this Indenture relating to the Collateral, in a manner that adversely affects the Holders, except in accordance with the other provisions of the Collateral Agency Agreement, such Security Document or this Indenture;

(xii) reduce the amount payable upon a Change of Control Offer or an Offer to Purchase with the Excess Proceeds from any Asset Sale or, change the time or manner by which a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer or an Offer to Purchase with the Excess Proceeds or other proceeds from any Asset Sale, whether through an amendment or waiver of provisions in the covenants, definitions or otherwise;

(xiii) consent to the assignment or transfer by the Company or any Subsidiary Guarantor of any of their rights or obligations under this Indenture or the Subsidiary Guarantees, except as permitted pursuant to the provisions described under Section 5.01;

(xiv) change the redemption date or the redemption price of the Notes from that stated in Section 3.01 or Section 3.02;

(xv) amend, change or modify the obligation of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor to pay Additional Amounts;

(xvi) amend, change or modify any provision of this Indenture or the related definition affecting the ranking of the Notes, any Subsidiary Guarantee or any JV Subsidiary Guarantee in a manner which adversely affects the Holders; or

(xvii) make any change in the preceding amendment and waiver provisions.

(b) It is not necessary for Holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

(c) An amendment, supplement or waiver under this Section 9.02 will become effective on receipt by the Trustee of written consents from the Holders of the requisite percentage in principal amount of the outstanding Notes. After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will send to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will send supplemental indentures to Holders upon request. Any failure of the Company to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental indenture or waiver.

#### Section 9.03. *Effect of Consent*

(a) After an amendment, supplement or waiver becomes effective, it will bind every Holder.

(b) If an amendment, supplement or waiver changes the terms of a Note, the Trustee may require the Holder to deliver it to the Trustee so that the Trustee may place an appropriate notation of the changed terms on the Note and return it to the Holder, or exchange it for a new Note that reflects the changed terms. The Trustee may also place an appropriate notation on any Note thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver is not affected by any failure to annotate or exchange Notes in this fashion.

Section 9.04. *Trustee's, Collateral Agent's and Other Agent's Rights and Obligations*

Each of the Trustee the Collateral Agent and the other Agents is entitled to receive, and will be fully protected in relying upon, an Opinion of Counsel stating that the execution of any amendment, supplement or waiver authorized pursuant to this Article is authorized or permitted by this Indenture and that such amendment, supplement or waiver constitutes the legal, valid, binding and enforceable obligations of the party or parties executing such amendment, supplement or waiver, and an Officers' Certificate stating that all conditions precedent have been complied with. If the Trustee, the Collateral Agent or the other Agents, as the case may be, has received such an Opinion of Counsel and Officers' Certificate, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Trustee, the Collateral Agent or the other Agents, as the case may be. Each of the Trustee, the Collateral Agent and the other Agents may, but is not obligated to, execute any amendment, supplement or waiver that affects the Trustee's, the Collateral Agent's or the other Agents' own rights, duties or immunities under this Indenture.

**ARTICLE 10**  
**SECURITY TO BE GRANTED**

Section 10.01. *Security to be Granted*

(a) The Company shall, for the benefit of the Holders of the Notes, the Trustee and the Collateral Agent, cause the Initial Pledgor to pledge, on the Original Issue Date, the Collateral (subject to Permitted Liens and the Collateral Agency Agreement, as applicable), in order to secure the obligations of the Company under the Notes and this Indenture and of each Subsidiary Guarantor under its Subsidiary Guarantee (if any).

(b) The Company shall, or shall cause the Initial Pledgor and the Subsidiary Guarantor Pledgors (if any), for the benefit of the Holders of the Notes, to:

(i) execute one or more Security Documents granting to the Collateral Agent on behalf of the Trustee, for the benefit of the Holders of the Notes, Liens (subject to any Permitted Liens and the Collateral Agency Agreement, as applicable) (collectively, the "**Lien**") on relevant Collateral (subject to any Permitted Liens and the Collateral Agency Agreement, as applicable); and

(ii) take all requisite steps under applicable laws and undertake other customary procedures in connection with the granting and perfection (if relevant) of the Lien on relevant Collateral (subject to any Permitted Liens and the Collateral Agency Agreement, as applicable); and

(iii) promptly deliver to the Trustee an Officers' Certificate stating that entry into the Security Documents has been duly and validly authorized and an Opinion of Counsel to the effect that (A) in the opinion of such counsel, such action has been taken with respect to the recording, registering and filing of or with respect to this Indenture and the Security Documents and all other instruments of further assurance as is necessary to make effective the Lien (subject to Permitted Liens, as applicable) created by the Security Documents in the Collateral referenced in this clause (b) and referencing the details of such action; or (B) in the opinion of such counsel, no such action is necessary to make such Lien (subject to Permitted Liens, as applicable) effective; *provided* that any such Opinion of Counsel may

rely on an Officers' Certificate or certificates of public officials with respect to matters of fact and that all Opinions of Counsel delivered pursuant to this Section 10.01 may contain assumptions, qualifications, exceptions and limitations as are appropriate and customary for similar opinions relating to the nature of the Collateral referenced in this clause (b).

(c) So long as no Payment Default has occurred and is continuing, and subject to the terms of the Security Documents and this Indenture, the Company, the Initial Pledgor and the Subsidiary Guarantor Pledgors (if any), as the case may be, will be entitled to exercise any and all voting rights and to receive, retain and use any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares or stock resulting from stock splits or reclassifications, rights issues, warrants, options and other distributions (whether similar or dissimilar to the foregoing) in respect of Capital Stock constituting Collateral.

(d) Each Holder of the Notes, by its acceptance thereof, consents and agrees to the terms of the Security Documents (including, without limitation, the provisions providing for foreclosure and release of Collateral) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and directs the Trustee to perform their respective obligations and exercise their respective rights thereunder in accordance therewith.

(e) Each Holder, by accepting the Notes and the Subsidiary Guarantees (if any), acknowledges that the Collateral as now or hereafter constituted shall be held for the benefit of all the Holders under the Security Documents, and that the Lien created pursuant to the Security Documents is subject to and qualified and limited in all respects by the Security Documents and the Collateral Agency Agreement and actions that may be taken thereunder.

(f) Notwithstanding (i) anything to the contrary contained in this Indenture, the Security Documents, the Notes or any other instrument governing, evidencing or relating to any Indebtedness, (ii) the time, order or method of attachment of any Liens, the time or order of filing or recording of financing statements or other documents filed or recorded to perfect any Lien upon any Collateral, (iii) the time of taking possession or control over any Collateral or (iv) the rules for determining priority under the Uniform Commercial Code or any other law of any relevant jurisdiction governing relative priorities of secured creditors, the Company and the Subsidiary Guarantor Pledgors (if any) will ensure that:

(A) the Liens granted pursuant to the Security Documents will rank at least equally and ratably with all other valid, enforceable and perfected Liens, whenever granted upon any present or future Collateral, but only to the extent such other Liens are permitted under this Indenture to exist and to rank equally and ratably with the Notes and the Subsidiary Guarantees (if any); and

(B) all proceeds of the Collateral applied under the Security Documents shall be allocated and distributed as set forth in Section 6.11.

#### Section 10.02. *Subsidiary Guarantor Pledgors*

(a) The Company shall, for the benefit of the Holders of the Notes, pledge, or cause each Subsidiary Guarantor (other than a JV Subsidiary Guarantor, if any) to pledge, the Capital Stock owned directly by the Company or such Subsidiary Guarantor of any Person that becomes a Restricted Subsidiary or additional shares of Capital Stock acquired or otherwise received by the

Company or such Subsidiary Guarantor of any existing Restricted Subsidiary (in each case other than (x) Persons organized under the laws of the PRC, the Exempted Subsidiaries, the Listed Subsidiaries or other Non-Guarantor Subsidiaries and (y) any Restricted Subsidiary owned directly by a Subsidiary organized under the laws of the PRC to the extent that such pledge will obligate the Company or any Subsidiary Guarantor Pledgor to obtain any approval from any PRC government authorities) after the Original Issue Date (each a “**Future Restricted Subsidiary**”), promptly (and in any event within 30 days) after such Person becomes a Restricted Subsidiary, to secure (subject to Permitted Liens and the Collateral Agency Agreement) the obligations of the Company under the Notes and this Indenture, and of each Subsidiary Guarantor under its Subsidiary Guarantee.

(b) Each Subsidiary Guarantor that pledges Capital Stock of a Restricted Subsidiary after the Original Issue Date, upon giving such pledge, will be a “**Subsidiary Guarantor Pledgor**.”

(c) Upon each pledge by a Subsidiary Guarantor of the Capital Stock of any Future Restricted Subsidiary in accordance with Section 10.02, the Company shall deliver to the Trustee and the Collateral Agent an Officers’ Certificate stating that entry into the applicable pledge agreement has been duly and validly authorized and an Opinion of Counsel to the effect that (i) in the opinion of such counsel, such action has been taken with respect to the recording, registering and filing of or with respect to this Indenture and the applicable pledge agreement and all other instruments of further assurance as are necessary to make effective the Lien (subject to Permitted Liens and the Collateral Agency Agreement) created by such pledge agreement in the Capital Stock referenced in Section 10.02(a), and referencing the details of such action; or (ii) in the opinion of such counsel, no such action is necessary to make such Lien effective; *provided* that any such Opinion of Counsel may rely on an Officers’ Certificate or certificates of public officials with respect to matters of fact.

(d) All Opinions of Counsel delivered pursuant to Section 10.02(c) may contain assumptions, qualifications, exceptions and limitations as are appropriate and customary for similar opinions relating to the nature of the Capital Stock pledged.

(e) Upon each pledge by any Subsidiary Guarantor of the Capital Stock of any Future Restricted Subsidiary in accordance with Section 10.02(a), the Company will give notice, file, register or record any supplemental indentures, financing statements, continuation statements, pledge agreements or other instruments or cause each such Subsidiary Guarantor Pledgor to give notice, file, register or record any supplemental indentures, financing statements, continuation statements, pledge agreements or other instruments and take any other actions necessary, in order to perfect and protect the Lien thereby created.

*Section 10.03. Certificates of the Company and Each of the Subsidiary Guarantor Pledgors*

The Company (with respect to any proposed release of Collateral by the Company or the Initial Pledgor) and the relevant Subsidiary Guarantor Pledgor (with respect to any proposed release of Collateral by such Subsidiary Guarantor Pledgor) shall furnish to the Trustee and the Collateral Agent on or prior to any proposed release of Collateral by the Company, the Initial Pledgor or any Subsidiary Guarantor Pledgor an Officers’ Certificate certifying and an Opinion of Counsel stating that such release will comply with the terms of this Indenture and the relevant Security Documents.

*Section 10.04. Authorization of Actions to be Taken by the Trustee Under the Security Documents*



(a) The Trustee shall act upon the written direction of the Holders of the Notes with regard to all voting, consent and other rights granted to the Holders of the Notes under the Security Documents.

(b) Subject to the terms of this Indenture and the Security Documents, the Trustee may, in its sole discretion and without the consent of the Holders of the Notes, on behalf of the Holders of the Notes, instruct the Collateral Agent to take all actions it deems necessary or appropriate in order to (i) enforce any of its rights or any of the rights of the Holders of the Notes under the Security Documents and (ii) receive any and all amounts payable from the Collateral in respect of the obligations of the Company and the Subsidiary Guarantors (if any) hereunder.

(c) Subject to the terms of the Security Documents and Section 7.02(d), the Trustee shall have the power to (or instruct the Collateral Agent to) institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Security Documents or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interest and the interests of the Holders of the Notes in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders of the Notes or the Trustee). The Trustee is hereby irrevocably authorized by each Holder of the Notes to instruct the Collateral Agent to effect any release of Liens or Collateral contemplated by Section 10.06 hereof or by the terms of the Security Documents. The Trustee and the Collateral Agent shall not be deemed to have knowledge of any acts that may be unlawful or in violation of the Security Documents or this Indenture unless and until it receives written notification describing the circumstances of such, and identifying the circumstances constituting such unlawful acts or violation.

(d) The Trustee and the Collateral Agent will not be responsible for the adequacy of the Collateral in respect of the obligations of the Company and the Subsidiary Guarantors (if any) hereunder.

*Section 10.05. Authorization of Receipt of Funds by the Trustee Under the Security Documents*

Subject to the Collateral Agency Agreement, the Trustee is authorized to receive and distribute any funds for the benefit of the Holders of the Notes under the Security Documents, and to make further distributions of such funds to the Holders of the Notes according to the provisions of this Indenture, the Collateral Agency Agreement and the Security Documents.

*Section 10.06. Release of Security*

(a) Subject to the Collateral Agency Agreement, this Indenture and the Security Documents, the security created in respect of the Notes and the Subsidiary Guarantees (if any), and over the Collateral and granted under the Security Documents, may as regards the obligations under the Notes and the Subsidiary Guarantees (if any) only be released in certain circumstances, including:

- (i) upon repayment in full of the Notes;

(ii) upon defeasance or satisfaction and discharge of the Notes as provided above under Section 8.01 and Section 8.06;

(iii) upon certain dispositions of the Collateral in compliance with Section 3.01, Section 3.02, Section 4.09 or Section 4.13 or in accordance with Section 5.01;

(iv) with respect to security granted by a Subsidiary Guarantor Pledgor, upon the release of the Subsidiary Guarantee of such Subsidiary Guarantor Pledgor in accordance with the terms of this Indenture;

(v) in whole or in part, with the requisite consent of the Holders in accordance with Article 9;

(vi) in connection with and upon execution of a JV Subsidiary Guarantee to replace a Subsidiary Guarantee, with respect to all pledges of Capital Stock granted by such JV Subsidiary Guarantor in its direct and indirect Subsidiaries, and in accordance with this Indenture;

(vii) with respect to a Subsidiary Guarantor that becomes a Non-Guarantor Subsidiary, the release of the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in such Non-Guarantor Subsidiary; and

(viii) with respect to any pledge over any Capital Stock of any Subsidiary Guarantor or JV Subsidiary Guarantor, upon the designation by the Company of such Subsidiary Guarantor or JV Subsidiary Guarantor as an Unrestricted Subsidiary in accordance with the terms of the Indenture.

(b) Upon written request of the Company or any Subsidiary Guarantor, in connection with any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition of assets or property permitted by this Indenture (including, without limitation, Section 3.01, Section 3.02, Section 4.09, Section 4.13 or Section 5.01 hereof), the Trustee shall instruct the Collateral Agent to (without notice to, or vote or consent of, any Holder) take such actions as shall be required to release its security interest in any Collateral being disposed of in such disposition, to the extent necessary to permit consummation of such disposition in accordance with this Indenture and the Security Documents and the Collateral Agent shall receive full payment therefor from the Company for any costs properly incurred thereby; *provided* that the Company (with respect to any release of Collateral by the Company or the Initial Pledgor) or the relevant Subsidiary Guarantor Pledgor (with respect to any release of Collateral by such Subsidiary Guarantor Pledgor) delivers to the Collateral Agent an Officers' Certificate certifying and an Opinion of Counsel stating that the release of any such security interest is permitted under the terms of this Indenture and that the conditions precedent to any such release have been fulfilled.

(c) Any release of Collateral made in compliance with this Section 10.06 shall not be deemed to impair the Lien under the Security Documents or the Collateral thereunder in contravention of the provisions of this Indenture or the Security Documents.

No purchaser or grantee of any property or rights purporting to be released herefrom shall be bound to ascertain the authority of the Collateral Agent to execute the release or to inquire as to the existence of any conditions herein prescribed for the exercise of such authority; nor shall any purchaser or grantee of any property or rights permitted by this Indenture to be sold or otherwise

disposed of by the Company and any Subsidiary Guarantors be under any obligation to ascertain or inquire into the authority of the Company or any Subsidiary Guarantor to make such sale or other disposition.

## **ARTICLE 11**

### **SUBSIDIARY GUARANTEES AND JV SUBSIDIARY GUARANTEES**

#### *Section 11.01. The Subsidiary Guarantees and JV Subsidiary Guarantees*

Subject to the provisions of this Article 11, any Subsidiary Guarantors and JV Subsidiary Guarantors added pursuant to a supplemental indenture hereby, jointly and severally, Guarantees as principal obligor to each Holder of a Note authenticated by the Trustee or the Authenticating Agent and to the Trustee and its successors and assigns the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes and this Indenture, *provided* that any JV Subsidiary Guarantee will be limited to the JV Entitlement Amount.

#### *Section 11.02. Guarantee Unconditional*

The obligations of each Subsidiary Guarantor and each JV Subsidiary Guarantor hereunder are unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged or otherwise affected by:

- (a) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of the Company under this Indenture or any Note, by operation of law or otherwise;
- (b) any modification or amendment of or supplement to this Indenture or any Note;
- (c) any change in the corporate existence, structure or ownership of the Company, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Company or its assets or any resulting release or discharge of any obligation of the Company contained in this Indenture or any Note;
- (d) the existence of any claim, set-off or other rights which such Subsidiary Guarantor or JV Subsidiary Guarantor may have at any time against the Company, the Trustee or any other Person, whether in connection with this Indenture or any unrelated transactions; *provided* that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim;
- (e) any invalidity, irregularity, or unenforceability relating to or against the Company for any reason of this Indenture or any Note; or
- (f) any other act or omission to act or delay of any kind by the Company, the Trustee or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to such Subsidiary Guarantor or JV Subsidiary Guarantor's obligations hereunder.

#### *Section 11.03. Discharge; Reinstatement*

Each Subsidiary Guarantor's or JV Subsidiary Guarantor's obligations hereunder shall remain in full force and effect until the principal of, premium, if any, and interest on the Notes and all other amounts payable by the Company under this Indenture have been paid in full. If at any time any payment of the principal of, premium, if any, or interest on any Note or any other amount payable by the Company under this Indenture is rescinded or must otherwise be repaid or restored

or returned upon the insolvency, bankruptcy or reorganization of the Company or otherwise, each Subsidiary Guarantor's and each JV Subsidiary Guarantor's obligations hereunder with respect to such payment will be reinstated as though such payment had been due but not made at such time. All payments under the Subsidiary Guarantees and the JV Subsidiary Guarantees will be made in U.S. dollars.

*Section 11.04. Waiver by each Subsidiary Guarantor and each JV Subsidiary Guarantor*

Each Subsidiary Guarantor and each JV Subsidiary Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against the Company or any other Person. In particular, each of the Subsidiary Guarantors and JV Subsidiary Guarantors irrevocably waives its right to require the Trustee to pursue or exhaust the Trustee's legal or equitable remedies against the Company prior to exercising the Trustee's rights under the Subsidiary Guarantee or JV Subsidiary Guarantor, as the case may be.

*Section 11.05. Subrogation and Contribution*

Upon making any payment with respect to any obligation of the Company under this Article, the Subsidiary Guarantor or the JV Subsidiary Guarantor making such payment will be subrogated to the rights of the payee against the Company with respect to such obligation; *provided* that the Subsidiary Guarantor or the JV Subsidiary Guarantor may not enforce either any right of subrogation, or any right to receive payment in the nature of contribution, or otherwise, from any other Subsidiary Guarantor or any other JV Subsidiary Guarantor, with respect to such payment so long as any amount payable by the Company hereunder or under the Notes remains unpaid.

*Section 11.06. Stay of Acceleration*

If acceleration of the time for payment of any amount payable by the Company under this Indenture or the Notes is stayed upon the insolvency, bankruptcy or reorganization of the Company, all such amounts otherwise subject to acceleration under the terms of this Indenture are nonetheless payable by the Subsidiary Guarantors hereunder forthwith on demand by the Trustee or the Holders.

*Section 11.07. Limitation on Amount of Subsidiary Guarantee and JV Subsidiary Guarantee*

Notwithstanding anything to the contrary in this Article, each of the Subsidiary Guarantors and JV Subsidiary Guarantors, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Subsidiary Guarantee of such Subsidiary Guarantor or the JV Subsidiary Guarantee of such JV Subsidiary Guarantor not constitute a fraudulent conveyance under applicable fraudulent conveyance provisions of the United States Bankruptcy Code or any comparable law of any other jurisdiction. To effectuate that intention, the Trustee, the Holders, the Subsidiary Guarantors and the JV Subsidiary Guarantors hereby irrevocably agree that (i) the obligations of each Subsidiary Guarantor under its Subsidiary Guarantee are limited in an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering the Subsidiary Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally; and (ii) each JV Subsidiary Guarantee will be limited to an amount which is the lower of (A) the JV Entitlement Amount and (B) an amount not to exceed the maximum amount that can be guaranteed by the applicable JV Subsidiary Guarantor without

rendering the JV Subsidiary Guarantee, as it relates to such JV Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

Section 11.08. *Ranking of Subsidiary Guarantee and JV Subsidiary Guarantee*

(a) If it is provided, the Subsidiary Guarantee of each Subsidiary Guarantor will:

- (i) be a general obligation of such Subsidiary Guarantor;
- (ii) be senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such Subsidiary Guarantee;
- (iii) rank at least *pari passu* in right of payment with all other unsecured, unsubordinated Indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsecured, unsubordinated Indebtedness pursuant to applicable law); and
- (iv) be effectively subordinated to secured obligations of such Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor (other than the Collateral).

Pursuant to the Security Documents entered into by the Company and the Subsidiary Guarantor Pledgors (if any), as set forth in Article 10 hereof and subject to the limitations described therein, the Subsidiary Guarantee of each Subsidiary Guarantor Pledgor (if any) (i) will be entitled to a first ranking security interest in the Collateral pledged by such Subsidiary Guarantor Pledgor (subject to any Permitted Liens and the Collateral Agency Agreement) and (ii) will rank effectively senior in right of payment to the unsecured obligations of such Subsidiary Guarantor Pledgor with respect to the value of the Collateral securing such Subsidiary Guarantee (subject to any priority rights of such unsecured obligations pursuant to applicable law).

(b) If it is provided, the JV Subsidiary Guarantee of each JV Subsidiary Guarantor will be:

- (i) a general obligation of such JV Subsidiary Guarantor;
- (ii) enforceable only up to the JV Entitlement Amount;
- (iii) effectively subordinated to secured obligations of such JV Subsidiary Guarantor, to the extent of the value of the assets serving as security therefor (other than the Collateral);
- (iv) limited to the JV Entitlement Amount, and will be senior in right of payment to all future obligations of such JV Subsidiary Guarantor expressly subordinated in right of payment to such JV Subsidiary Guarantee; and
- (v) limited to the JV Entitlement Amount, and will rank at least *pari passu* with all other unsecured, unsubordinated Indebtedness of such JV Subsidiary Guarantor (subject to any priority rights of such unsubordinated Indebtedness pursuant to applicable law).

If it is provided, the JV Subsidiary Guarantee of each JV Subsidiary Guarantor will not be secured.

Section 11.09. *Subsidiary Guarantors*

(a) With respect to the Company's future Restricted Subsidiaries, the Company may elect to have any future Restricted Subsidiary (and its Restricted Subsidiaries) organized outside the PRC not provide a Subsidiary Guarantee at the time such entity becomes a Restricted Subsidiary (the "**New Non-Guarantor Subsidiary**", and, together with the PRC Non-Guarantor Subsidiaries, the Exempted Subsidiaries, the Listed Subsidiaries and the Initial Non-Guarantor Subsidiaries, the "**Non-Guarantor Subsidiaries**").

(b) Each Restricted Subsidiary that guarantees the Notes after the Original Issue Date other than a JV Subsidiary Guarantee, upon execution of the applicable supplemental indenture to this Indenture, will be a "**Subsidiary Guarantor**."

Section 11.10. *Execution and Delivery of Subsidiary Guarantee or JV Subsidiary Guarantee*

The execution by any Subsidiary Guarantor or any JV Subsidiary Guarantor of a supplemental indenture in the form of Exhibit F evidences the Subsidiary Guarantee of such Subsidiary Guarantor or such JV Subsidiary Guarantee of such JV Subsidiary Guarantor, as applicable, whether or not the person signing as an officer of the Subsidiary Guarantor or the JV Subsidiary Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee or the Authenticating Agent after authentication constitutes due delivery of the Subsidiary Guarantee set forth in this Indenture on behalf of each Subsidiary Guarantor.

Section 11.11. *Release of the Subsidiary Guarantees and the JV Subsidiary Guarantees*

(a) A Subsidiary Guarantee given by a Subsidiary Guarantor and a JV Subsidiary Guarantee given by a JV Subsidiary Guarantor shall be released upon:

- (i) repayment in full of the Notes;
- (ii) a defeasance or satisfaction and discharge as provided in Section 8.01 and Section 8.06;
- (iii) the designation by the Company of a Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, as an Unrestricted Subsidiary in compliance with the terms of this Indenture;
- (iv) upon the designation by the Company of a JV Subsidiary Guarantor as an Exempted Subsidiary or a Listed Subsidiary, as the case may be;
- (v) the sale, merger or disposition of a Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, in compliance with the terms of this Indenture (including Sections 4.09, 4.13 and 5.01) resulting in such Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, no longer being a Restricted Subsidiary, so long as (x) such Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, is simultaneously released from its obligations in respect of any of the Company's other Indebtedness or any Indebtedness of any other Restricted Subsidiary and (y) the proceeds from such sale, merger or disposition are used for the purposes permitted or required by this Indenture;
- (vi) in the case of a Subsidiary Guarantee, the replacement of a Subsidiary Guarantee with a JV Subsidiary Guarantee; or

(vii) if a Subsidiary Guarantor or JV Subsidiary Guarantor becomes a New Non-Guarantor Subsidiary in accordance with the terms of this Indenture.

No release of a Subsidiary Guarantor from its Subsidiary Guarantee or a JV Subsidiary Guarantor from its JV Subsidiary Guarantee shall be effective against the Trustee or the Holders until the Company has delivered to the Trustee an Officers' Certificate stating that all requirements relating to such release have been complied with and that such release is authorized and permitted by this Indenture.

(b) In the case of a Restricted Subsidiary (1) that is, or is proposed by the Company or any of its Restricted Subsidiaries to be, established after the Original Issue Date, (2) that is incorporated in any jurisdiction other than the PRC, (3) in respect of which the Company or any of its Restricted Subsidiaries (x) is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% of the Capital Stock of such Restricted Subsidiary or (y) is proposing to purchase the Capital Stock of an Independent Third Party such that it becomes a Subsidiary and designate such Subsidiary as a Restricted Subsidiary and (4) is not an Exempted Subsidiary or a Listed Subsidiary, the Company may, concurrently with the consummation of such sale, purchase or issuance, provide a JV Subsidiary Guarantee instead of a Subsidiary Guarantee for (a) such Restricted Subsidiary and (b) the Restricted Subsidiaries of such Restricted Subsidiary that are organized in any jurisdiction other than the PRC, if the following conditions, in the case of both (a) and (b), are satisfied:

(i) as of the date of execution of the JV Subsidiary Guarantee, no document exists that is binding on the Company or any of the Restricted Subsidiaries that would have the effect of (a) prohibiting the Company or any of the Restricted Subsidiaries from providing such JV Subsidiary Guarantee or (b) requiring the Company or any of the Restricted Subsidiaries to deliver or keep in place a guarantee on terms that are more favorable to the recipients of such guarantee than the JV Subsidiary Guarantee;

(ii) such sale or issuance of Capital Stock is made to, or such purchase of Capital Stock is purchased from, an Independent Third Party at a consideration that is not less than (in the case of a sale or issuance) or no more than (in the case of a purchase) the Fair Market Value of such Capital Stock; and

(iii) concurrently with providing the JV Subsidiary Guarantee, the Company shall or shall cause such JV Subsidiary Guarantor to deliver to the Trustee:

(x) (A) a duly executed JV Subsidiary Guarantee and each Restricted Subsidiary of such JV Subsidiary Guarantor that is not organized under the laws of the PRC (other than the Non-Guarantor Subsidiaries), and (B) a duly executed supplemental indenture to this Indenture pursuant to which such JV Subsidiary Guarantor will guarantee the payment of the Notes, each of which provides, among other things, that the aggregate claims of the Trustee and the Holders under such JV Subsidiary Guarantee and all JV Subsidiary Guarantees provided by the Restricted Subsidiaries and shareholders of such JV Subsidiary Guarantor will be limited to the JV Entitlement Amount;

(y) a duly executed Security Document that pledges in favor of the Holders and the Collateral Agent the Capital Stock of such JV Subsidiary Guarantor held by

the Company or any Subsidiary Guarantor, but not the Capital Stock of the direct or indirect Subsidiaries of such JV Subsidiary Guarantor;

(z) an Officers' Certificate certifying a copy of the Board Resolution to the effect that such JV Subsidiary Guarantee has been approved by a majority of the disinterested members of the Board of Directors; and

(xx) an Opinion of Counsel by a law firm of recognized international standing confirming that under New York law such JV Subsidiary Guarantees are valid, binding and enforceable against the JV Subsidiary Guarantors providing such JV Subsidiary Guarantees (subject to customary qualifications and assumptions).

The Trustee and the Collateral Agent shall be entitled to conclusively rely on Officers' Certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person.

(c) In the case of a Subsidiary Guarantor with respect to which the Company or any Restricted Subsidiary is proposing to sell, whether through the sale of existing shares or the issuance of new shares, no less than 20% of the Capital Stock of such Subsidiary Guarantor, the Company may concurrently with the consummation of such sale or issuance of Capital Stock, (a) instruct the Trustee to release the Subsidiary Guarantees provided by such Subsidiary Guarantor and each of its Restricted Subsidiaries organized outside the PRC, and upon such release such Subsidiary Guarantor and its Restricted Subsidiaries organized outside the PRC will become New Non-Guarantor Subsidiaries (such that they will no longer Guarantee the Notes) and (b) instruct the Collateral Agent to:

(i) discharge the pledge of the Capital Stock granted by each such Non-Guarantor Subsidiary and

(ii) discharge the pledge of Capital Stock made by the Company or any Subsidiary Guarantor over the shares it owns in each such New Non-Guarantor Subsidiary,

in each case, without any requirement to seek the consent or approval of the Holders of the Notes, provided that after the release of such Subsidiary Guarantees, the Consolidated Assets of all Restricted Subsidiaries organized outside the PRC that are not Subsidiary Guarantors or JV Subsidiary Guarantors (including such New Non-Guarantor Subsidiaries) (other than Exempted Subsidiaries and Listed Subsidiaries) do not account for more than 25% of the Total Assets of the Company. The Trustee will be permitted and authorized, without the consent of or notice to any Holder, to take any action necessary to permit (a) the release of the Subsidiary Guarantees by such Subsidiary Guarantors and (b) to consent to the Collateral Agent discharging the pledge of the Capital Stock granted by each such Non-Guarantor Subsidiary or made by the Company or any Subsidiary Guarantor over the shares they own in each such New Non-Guarantor Subsidiary in accordance with this paragraph.

(d) No release and discharge of the Subsidiary Guarantee or JV Subsidiary Guarantee will be effective against the Trustee, any Agent or the Holders of Notes (i) if a Default or Event of Default shall have occurred and be continuing under this Indenture as of the time of such proposed release and discharge until such time as such Default or Event of Default is cured or waived and (ii) until the Company shall have delivered to the Trustee an Officers' Certificate stating that all conditions



precedent provided for in this Indenture and the Security Documents relating to such release and discharge have been complied with and that such release and discharge is authorized and permitted under this Indenture and the Security Documents. At the request of the Company and provided that all conditions precedent provided for in this Indenture and the Security Documents relating to such release and discharge have been complied with and that such release and discharge is authorized and permitted under this Indenture and the Security Documents, the Trustee will execute and deliver an instrument evidencing such release and discharge and do all such other acts and things necessary to release the Subsidiary Guarantor(s) or the JV Subsidiary Guarantor(s) from its (or their) obligations hereunder.

Section 11.12. *Replacement of Subsidiary Guarantees with JV Subsidiary Guarantees*

(a) A Subsidiary Guarantee given by a Subsidiary Guarantor may be released following the sale or issuance by the Company or any of its Restricted Subsidiaries of Capital Stock in (x) such Subsidiary Guarantor or (y) any other Subsidiary Guarantor that, directly or indirectly, owns a majority of the Capital Stock of such Subsidiary Guarantor, in each case where such sale or issuance, whether through the sale of existing shares or the issuance of new shares, is for no less than 20% of the issued Capital Stock of the relevant Subsidiary Guarantor, *provided* that the following conditions are satisfied or complied with:

(i) as of the date of such proposed release, no document exists that is binding on the Company or any of the Restricted Subsidiaries that would have the effect of (a) prohibiting the Company or any of the Restricted Subsidiaries from releasing such Subsidiary Guarantee, (b) prohibiting the Company or any of the Restricted Subsidiaries from providing a JV Subsidiary Guarantee, or (c) requiring the Company or any of the Restricted Subsidiaries to deliver or keep in force a replacement Guarantee on terms that are more favorable to the recipients of such Guarantee than the JV Subsidiary Guarantee;

(ii) such sale or issuance is made to an Independent Third Party at a consideration that is not less than the Fair Market Value of such Capital Stock; and

(iii) concurrently with the release of such Subsidiary Guarantee, the Company shall or shall cause such JV Subsidiary Guarantor to deliver to the Trustee:

(x) (A) a duly executed JV Subsidiary Guarantee of such JV Subsidiary Guarantor and each Restricted Subsidiary of such JV Subsidiary Guarantor that is not organized under the laws of the PRC (other than the Non-Guarantor Subsidiaries) and (B) a duly executed supplemental indenture to this Indenture pursuant to which such JV Subsidiary Guarantor will guarantee the payment of the Notes, each of which provides, among other things, that the aggregate claims of the Trustee and the Holders under such JV Subsidiary Guarantee and all JV Subsidiary Guarantees provided by the Restricted Subsidiaries of such JV Subsidiary Guarantor will be limited to the JV Entitlement Amount;

(y) a duly executed Security Document that pledges in favor of the Holders and the Collateral Agent the Capital Stock of such JV Subsidiary Guarantor held by the Company or any Subsidiary Guarantor, but not the Capital Stock of the direct or indirect Subsidiaries of such JV Subsidiary Guarantor;

(z) an Officers' Certificate certifying a copy of a Board Resolution to the effect that such JV Subsidiary Guarantee has been approved by a majority of the disinterested members of the Board of Directors; and

(xx) an Opinion of Counsel by a law firm of recognized international standing confirming that under New York law such JV Subsidiary Guarantee is legal, valid, binding and enforceable against the JV Subsidiary Guarantor providing such JV Subsidiary Guarantee (subject to customary qualifications and assumptions).

The Trustee and the Collateral Agent shall be entitled to conclusively rely on such Officers' Certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person.

(b) Notwithstanding Section 11.12, any such sale or issuance of the Capital Stock of the relevant Subsidiary Guarantor (including where such sale results in the relevant Subsidiary Guarantor ceasing to be a Restricted Subsidiary) will need to comply with the other covenants set forth in this Indenture, including, without limitation, Section 4.06 and Section 4.13.

(c) Any Net Cash Proceeds from the sale or issuance of such Capital Stock shall be applied by the Company (or any Restricted Subsidiary) in accordance with the Section 4.13.

## **ARTICLE 12**

### **MISCELLANEOUS**

#### **Section 12.01. *Ranking***

The Notes (a) are general obligations of the Company; (b) are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (c) rank and will rank at least *pari passu* in right of payment with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated Indebtedness pursuant to applicable law); (d) are guaranteed by the Subsidiary Guarantors (if any) and the JV Subsidiary Guarantors (if any) on a senior basis, subject to certain limitations set forth in Article 11; (e) are effectively subordinated to any secured obligations of the Company, the Subsidiary Guarantors (if any) and the JV Subsidiary Guarantors (if any) to the extent of the value of the assets serving as security therefor (other than the Collateral) and (f) are effectively subordinated to all existing and future obligations of the Non-Guarantor Subsidiaries. Pursuant to the pledge of the Collateral by the Initial Pledgor, the Company (if any) and the Subsidiary Guarantor Pledgors (if any) as set forth in Article 10 and subject to the limitations described therein, the Notes (x) are entitled to a first priority Lien on all of the Collateral (subject to Permitted Liens and the Collateral Agency Agreement, as applicable) and (y) rank effectively senior in right of payment to unsecured obligations of the Initial Pledgor, the Company and the Subsidiary Guarantor Pledgors (if any) with respect to the value of the Collateral pledged by the Initial Pledgor, the Company (if any) and the Subsidiary Guarantor Pledgors (if any) securing the Notes (subject to any priority rights of such unsecured obligations pursuant to applicable law).

#### **Section 12.02. *Notices***

(a) All notices or demands required or permitted by the terms of the Notes or this Indenture to be given to or by the Holders are required to be in writing and may be given or served

by being sent by prepaid courier or by being deposited, first-class postage prepaid, in the mail (if intended for the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor), addressed to the Company or such Subsidiary Guarantor or such JV Subsidiary Guarantor at the principal or registered office of the Company; or (if intended for the Trustee), at the Corporate Trust Office of the Trustee at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, Attention: Ms. Cassandra Ho; and (if intended for any Holder) addressed to such Holder at such Holder's last address as it appears in the Register. Copies of any notice or communication to a Holder, if given by the Company, will be mailed to the Trustee at the same time. Defect in mailing a notice or communication to any particular Holder will not affect its sufficiency with respect to other Holders.

(b) Any notice or demand will be deemed to have been sufficiently given or served when so sent or deposited and, if to the Holders, when delivered in accordance with the applicable rules and procedures of Euroclear or Clearstream, as the case may be. Any such notice shall be deemed to have been delivered on the day such notice is delivered to Euroclear or Clearstream, as the case may be, or, if by mail, when so sent or deposited. Any notice to the Trustee will be effective only upon receipt.

(c) Where this Indenture provides for notice, the notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and the waiver will be the equivalent of the notice. Waivers of notice by Holders must be filed with the Trustee, but such filing is not a condition precedent to the validity of any action taken in reliance upon such waivers.

#### Section 12.03. *Certificate and Opinion as to Conditions Precedent*

(a) Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company will furnish to the Trustee at the Trustee's request:

(i) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with;

(ii) an Opinion of Counsel stating that all such conditions precedent have been complied with; and

(iii) an incumbency certificate giving the names and specimen signatures of Authorized Officers for any such Authorized Officers who have not previously provided specimen signatures to the Trustee.

The Trustee shall be entitled to conclusively rely on such Officers' Certificate and Opinion of Counsel as sufficient evidence thereof without any liability or responsibility to any person.

(b) In any case where several matters are required to be certified by, or covered by an Opinion of Counsel of, any specified Person, it is not necessary that all such matters be certified by, or covered by the Opinion of Counsel of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an Opinion of Counsel with respect to some matters and one or more such Persons as to other matters, and any such Person may certify or give an Opinion of Counsel as to such matters in one or several documents.

(c) Any certificate of an Officer of the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless such Officer knows, or in the exercise of reasonable care should know, that such Opinion of Counsel with respect to the matters upon which his certificate is based are erroneous. Any Opinion of Counsel may be based, and may state that it is so based, insofar as it relates to factual matters, upon a certificate of, or representations by, an officer or officers of the Company, a Subsidiary Guarantor or JV Subsidiary Guarantor stating that the information with respect to such factual matters is in the possession of the Company or such Subsidiary Guarantor or a JV Subsidiary Guarantor, as the case may be, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or representations with respect to such matters are erroneous.

(d) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

#### Section 12.04. *Statements Required in Certificate or Opinion*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture must include:

(a) a statement that each person signing the certificate or opinion has read the covenant or condition and the related definitions;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statement or opinion contained in the certificate or opinion is based;

(c) a statement that, in the opinion of each such person, that person has made such examination or investigation as is necessary to enable the person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of each such person, such condition or covenant has been complied with, *provided* that an Opinion of Counsel may rely on an Officers' Certificate or certificates of public officials with respect to matters of fact.

#### Section 12.05. *Payment Date Other Than a Business Day*

In any case in which the date of the payment of principal of or premium (if any) or interest on the Notes shall not be a Business Day in the relevant place of payment, then payment of such principal, premium (if any) or interest need not be made in such place on such date but may be made on the next succeeding Business Day in such place. Any payment made on such Business Day shall have the same force and effect as if made on the date on which such payment is due and no interest on the Notes shall accrue for the period after such date. Holders shall not be entitled to any interest or other payment if the Holder is late in surrendering its certificate or Note (as applicable, if required to do so).

#### Section 12.06. *Governing Law, Consent to Jurisdiction; Waiver of Immunities*

(a) Each of the Notes, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any) and this Indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

(b) The Company, each of the Subsidiary Guarantors (if any) and each of the JV Subsidiary Guarantors (if any), hereby irrevocably and unconditionally submit to the non-exclusive jurisdiction of any U.S. Federal or New York State court located in the Borough of Manhattan, The City of New York (each a “**New York Court**”) in connection with any suit, action or proceeding arising out of, or relating to, the Notes, any Subsidiary Guarantee, any JV Subsidiary Guarantee, this Indenture or any transaction contemplated hereby or thereby. The Company and each of the Subsidiary Guarantors or the JV Subsidiary Guarantors irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection which it may now or hereafter have to the venue of any such suit, action or proceeding brought in any such New York Court and any claim that any such suit, action or proceeding brought in any such New York Court has been brought in an inconvenient forum. To the extent that the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor, as the case may be, has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Company, such Subsidiary Guarantor or such JV Subsidiary Guarantor, as the case may be, irrevocably waives such immunity in respect of its obligations hereunder or under any Note, any Subsidiary Guarantee or any JV Subsidiary Guarantee, as applicable. The Company and each of the Subsidiary Guarantors and the JV Subsidiary Guarantors agree that final judgment in any such suit, action or proceeding, brought in such a court shall be conclusive and binding upon the Company, the Subsidiary Guarantor or the JV Subsidiary Guarantors, as the case may be, and, to the extent permitted by applicable law, may be enforced in any court to the jurisdiction of which the Company or any of the Subsidiary Guarantors or the JV Subsidiary Guarantors, as the case may be, is subject by a suit upon such judgment or in any manner provided by law, *provided* that service of process is effected upon the Company or any of the Subsidiary Guarantors or the JV Subsidiary Guarantors, as the case may be, in the manner specified in the following subsection or as otherwise permitted by applicable law.

(c) As long as any of the Notes remain outstanding, the Company and each of the Subsidiary Guarantors and the JV Subsidiary Guarantors will at all times have an authorized agent in the City of New York, upon whom process may be served in any legal action or proceeding arising out of or relating to this Indenture, any Note, any Subsidiary Guarantee or any JV Subsidiary Guarantee. Service of process upon such agent and written notice of such service mailed or delivered to the Company, any Subsidiary Guarantor or JV Subsidiary Guarantor, as the case may be, shall to the fullest extent permitted by applicable law be deemed in every respect effective service of process upon the Company, such Subsidiary Guarantor or such JV Subsidiary Guarantor, as the case may be, in any such legal action or proceeding. Each of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors hereby appoints [●] as its agent for such purpose, and covenants and agrees that service of process in any suit, action or proceeding may be made upon it at the office of such agent at [●]. Notwithstanding the foregoing, the Company, any Subsidiary Guarantor or any JV Subsidiary Guarantor may, with prior written notice to the Trustee, terminate the appointment of [●] and appoint another agent for the above purposes so that the Company, any Subsidiary Guarantors and any JV Subsidiary Guarantors shall at all times have an agent for the above purposes in the City of New York. The Company, each of the Subsidiary Guarantors (if any) and each of the JV Subsidiary Guarantors (if any) hereby agree to take any and all action as may be necessary to maintain the designation and appointment of an agent in full force and effect until the Final Maturity Date (or earlier, if the Notes are prepaid in full).

(d) The Company, each of the Subsidiary Guarantors (if any) and each of the JV Subsidiary Guarantors (if any) hereby irrevocably waives, to the fullest extent permitted by applicable law, any requirement or other provision of law, rule, regulation or practice which requires or otherwise establishes as a condition to the institution, prosecution or completion of any suit, action or proceeding (including appeals) arising out of or relating to this Indenture or any Note or any Subsidiary Guarantee, or any JV Subsidiary Guarantee, the posting of any bond or the furnishing, directly or indirectly, of any other security.

*Section 12.07. No Adverse Interpretation of Other Agreements*

This Indenture may not be used to interpret another indenture or loan or debt agreement of the Company or any Subsidiary of the Company, and no such indenture or loan or debt agreement may be used to interpret this Indenture. In addition, no other agreement or document may be used to interpret this Indenture with regard to any rights, duties or obligations of the Trustee created hereunder.

*Section 12.08. Successors*

All agreements of the Company, any Subsidiary Guarantor and any JV Subsidiary Guarantor in this Indenture and the Notes will bind its successors. All agreements of the Trustee in this Indenture will bind its successor.

*Section 12.09. Duplicate Originals*

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

*Section 12.10. Separability*

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

*Section 12.11. Table of Contents and Headings*

The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and in no way modify or restrict any of the terms and provisions of this Indenture.

*Section 12.12. No Personal Liability of Incorporators, Stockholders, Members, Officers, Directors or Employees*

No recourse for the payment of the principal of, premium, if any, or interest on any of the Notes or for any claim based thereon or otherwise in respect thereof, and no recourse under or upon any obligation, covenant or agreement of the Company, any of the Subsidiary Guarantors or any of the JV Subsidiary Guarantors in this Indenture, or in any of the Notes, the Subsidiary Guarantees or the JV Subsidiary Guarantees, or because of the creation of any Indebtedness represented thereby, shall be had against any incorporator, stockholder, member, officer, director, employee or controlling person of the Company or any of the Subsidiary Guarantors or JV Subsidiary Guarantors, or of any successor Person thereof. Each Holder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes, the Subsidiary Guarantees and the JV Subsidiary Guarantees.

#### Section 12.13. *Force Majeure*

Notwithstanding anything to the contrary in this Indenture or in any other transaction document, the Trustee shall not in any event be liable for any loss or damage, or any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any reason which is beyond the control of the Trustee, including, but not limited to, any existing or future law or regulation, any existing or future act of governmental authority, Act of God, flood, war whether declared or undeclared, new outbreak of disease or an escalation of an existing pandemic or epidemic, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any money transmission system or any event where performance of any duty or obligation under or pursuant to this Indenture would or may be illegal or would result in the Trustee being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Trustee is subject.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first written above.

CHINA AOYUAN GROUP LIMITED

By: \_\_\_\_\_

Name:

Title:



Madison Pacific Trust Limited, as Trustee

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT A**  
**FORM OF CERTIFICATED NOTE**

CHINA AOYUAN GROUP LIMITED

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Note: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Note: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER

SUBJECT TO THE COMPANY’S AND THE PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN “OFFSHORE TRANSACTION” PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.

EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

No. \_\_\_\_\_

US\$ \_\_\_\_\_

CHINA AOYUAN GROUP LIMITED

5.5% SENIOR NOTES DUE 2031

Certificated Note

China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), for value received, hereby promises to pay to \_\_\_\_\_ or registered assigns, upon surrender hereof the principal sum of up to \_\_\_\_\_ U.S. DOLLARS (US\$ \_\_\_\_\_), on September 30, 2031, or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

Interest Rate: 5.5% per annum.

Interest Payment Dates: March 30 and September 30 of each year, commencing on March 30, 2024 (in respect of the period from and including September 30, 2023 to but excluding March 30, 2024).

Interest Record Dates: March 15 and September 15 of each year.

Reference is hereby made to the further provisions set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note shall not be valid or obligatory until the certificate of authentication hereon shall have been duly signed by the Trustee or an Authenticating Agent acting under the Indenture.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Date:

China Aoyuan Group Limited

By: \_\_\_\_\_

Name:

Title:

Certificate of Authentication

This is one of the 5.5% Senior Notes Due 2031 described in the Indenture referred to in this Note.

Date:

[●] as Authenticating Agent

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

FORM OF REVERSE OF CERTIFICATED NOTE

CHINA AOYUAN GROUP LIMITED

5.5% SENIOR NOTES DUE 2031

1. Principal and Interest.

The Company promises to pay the principal of this Note on September 30, 2031.

The Company promises to pay interest on the principal amount of this Note on each Interest Payment Date, as set forth on the face of this Note, at the rate of 5.5% per annum.

Interest will be payable semi-annually in arrears (to the Holders of record of the Notes at the close of business on March 15 and September 15 immediately preceding the Interest Payment Date) on each Interest Payment Date.

The Notes shall bear interest, accruing on the Interest Accrual Basis (1) from the Reference Date or from the most recent Interest Payment Date to which interest has been paid or duly provided for (2) to (but excluding) such Interest Payment Date and shall be payable on each Interest Payment Date entirely in paid-in-kind interest (such interest, “**PIK Interest**”) by increasing the principal amount of the Notes by the amount of such PIK Interest accrued for such interest period, unless the Company elects by giving notice in writing to the Trustee, the Paying Agent and the Holders (substantially in the form of Exhibit E of the Indenture) not less than 5 Business Days prior to the relevant Interest Payment Date to pay all or a portion of such interest in cash (such interest, “**Cash Interest**”) instead of PIK Interest.

Interest will be computed on the basis of a 360-day year of twelve 30-day months. In any case in which the date of the payment of principal of or premium (if any) or interest on the Notes shall not be a Business Day in the relevant place of payment, then payment of such principal, premium (if any) or interest need not be made in such place on such date but may be made on the next succeeding Business Day in such place. Any payment made on such Business Day shall have the same force and effect as if made on the date on which such payment is due and no interest on the Notes shall accrue for the period after such date.

Interest not paid when due and any interest on principal, premium or interest not paid when due will be paid to the Persons that are Holders on a special record date, which will be the 15th day preceding the date fixed by the Company for the payment of such interest, whether or not such day is a Business Day. At least 15 days before a special record date, the Company will send to each Holder and to the Trustee a notice that sets forth the special record date, the payment date and the amount of interest to be paid.

2. Indenture; Collateral.

This is one of the Notes issued under an Indenture, dated as of [●], 20[●] (as amended from time to time, the “**Indenture**”), among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as Trustee. Capitalized terms used herein are used as defined in the Indenture unless otherwise indicated. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of all such terms.

To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture will control.

The Notes are general obligations of the Company. This Note will be secured by a pledge on the Custodian Account and the Healthy Life Shares standing to the credit of the Custodian Account, as set forth in the Indenture.

The Indenture limits, among other things, the ability of the Company to incur or guarantee additional Indebtedness and issue disqualified or preferred stock, declare dividends on its Capital Stock or purchase or redeem Capital Stock, make investments or other specified Restricted Payments, issue or sell Capital Stock of Restricted Subsidiaries, guarantee Indebtedness, sell, lease or transfer assets, create liens, enter into certain Sale and Leaseback Transactions, engage in any business other than Permitted Business, enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans, enter into transactions with equity holders or affiliates or effect a consolidation or merger.

### 3. Mandatory Redemption.

The Company shall negotiate, agree, enter into and consummate one or more Healthy Life Sale(s), in each case at a price equivalent to a price per Healthy Life Share of no less than 85% of the 30 Trading Day Volume Weighted Average Price of the Healthy Life Shares, such that on or before [*the date falling two years after the RED*], the Company shall have disposed of all Healthy Life Shares it directly or indirectly holds. The Healthy Life Net Proceeds shall be used only in accordance with Section 3.01(b) of the Indenture.

The Company shall procure that any Healthy Life Net Proceeds received by the Group are immediately deposited into the Custodian Account. Notwithstanding anything to the contrary in the Indenture, within 45 business days from and including the date on which the cash balance of the Custodian Account exceeded US\$20 million, the Company shall apply all funds then held in the Custodian Account to redeem the then outstanding Notes at a redemption price equal to 100% of the Accreted Value, plus accrued and unpaid interest, if any, on such redeemed Notes up to but excluding the relevant redemption date, on a pro rata basis.

### 4. Optional Redemption.

Notwithstanding anything to the contrary in the Indenture, the Company may, at its sole discretion, use any Other Net Proceeds to make an Offer to Purchase the Notes by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per US\$1.00 of Notes of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate; *provided*, that no such Offer to Purchase may be made until the Add Hero Notes have been fully repaid, redeemed or repurchased in accordance with the terms thereof.

To the extent that any Other Net Proceeds remain unused after 45 business days of commencing the reverse Dutch auction under Section 3.02(a) of the Indenture, the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Notes, in whole or in part, at a redemption price equal to 100% of the Accreted Value thereof plus accrued and unpaid interest, if any, on the Notes redeemed to (but not including) the redemption date.



5. Selection and Notice

The Company will give not less than 30 days' nor more than 45 days' notice of any redemption pursuant to Section 3.01 or Section 3.02(b) of the Indenture to the Holders and the Trustee. If less than all of the Notes are to be redeemed, the Notes for redemption will be selected as follows:

(1) if the Notes are listed on any securities exchange and/or are held through any clearing system, in compliance with the requirements of the principal securities exchange on which the Notes are traded and/or the clearing system through which the Notes are held; or

(2) if the Notes are not listed on any securities exchange and/or are not held through the clearing system, on a *pro rata* basis by lot or by such method as the Trustee in its sole and absolute discretion shall deem to be fair and appropriate unless otherwise required by law.

A Note of US\$1,000 in principal amount or less shall not be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

6. Repurchase of Notes upon a Change of Control

Not later than 30 days following a Change of Control, the Company will make an Offer to Purchase all outstanding Notes (a "**Change of Control Offer**") at a purchase price equal to 101% of the Accreted Value thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

7. Registered Form; Denominations; Transfer; Exchange.

The Notes are in registered form without coupons in denominations of US\$1,000 and any multiple of US\$1 in excess thereof. A Holder may register the transfer or exchange of Notes in accordance with the Indenture. The Registrar may require a Holder to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Pursuant to the Indenture, there are certain periods during which the Registrar will not be required to issue, register the transfer of or exchange any Note or certain portions of a Note.

8. Defaults and Remedies.

If an Event of Default, as defined in the Indenture, occurs and is continuing, the Trustee or the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the Holders or Beneficial Holders), may, and the Trustee at the written request of such Holders and Beneficial Holders shall (subject to the Trustee being indemnified and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. If a bankruptcy or insolvency default with respect to the Company or a Principal Subsidiary occurs, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding automatically become immediately due and payable without any

declaration or other act on the part of the Trustee or any Holder or Beneficial Holder. Holders and Beneficial Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require security and indemnity satisfactory to it before it enforces the Indenture or the Notes. Subject to certain limitations, Holders or Beneficial Holders of a majority in principal amount of the Notes then outstanding may direct the Trustee in its exercise of remedies.

9. Amendment and Waiver.

Subject to certain exceptions, the Indenture, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Collateral Agency Agreement, any Security Document and the Notes may be amended, or default may be waived, with the consent of the Holders of a majority in aggregate principal amount of the Outstanding Notes. Without notice to or the consent of any Holder, the Company and the Trustee may amend or supplement the Indenture, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Collateral Agency Agreement, any Security Document or the Notes to, among other things, cure any ambiguity, defect or inconsistency, or make any other change that does not materially and adversely affect the rights of any Holder.

10. Authentication.

This Note is not valid until the Trustee or the Authenticating Agent signs the certificate of authentication on the other side of this Note.

11. Governing Law.

This Note shall be governed by, and construed in accordance with, the laws of the State of New York.

12. Abbreviations.

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A/ (= Uniform Gifts to Minors Act).

The Company will furnish a copy of the Indenture to any Holder upon written request and without charge.

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby transfers to

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(PRINT NAME AND ADDRESS OF TRANSFEREE)

US\$ \_\_\_\_\_ principal amount of this Note, and all rights with respect thereto, and irrevocably constitutes and appoints \_\_\_\_\_ as attorney to transfer this Note on the books kept for registration thereof, with full power of substitution.

Dated

Signed

\_\_\_\_\_  
Certifying Signature

Note:

(i) A representative of the Holder of the Note should state the capacity in which he or she signs (*e.g.*, executor).

(ii) The signature of the person effecting the transfer shall conform to any list of duly authorized specimen signatures supplied by the Holder or (if such signature corresponds with the name as it appears on the face of this Note) shall be certified by a notary public or a recognized bank or be supported by such other evidence as the Company, the Agents or the Trustee may require.

#### OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have all of this Note purchased by the Company pursuant to Section 4.12 or 4.13 of the Indenture, check the box: ☐

If you wish to have a portion of this Note purchased by the Company pursuant to Section 4.12 or 4.13 of the Indenture, state the amount (in original principal amount) below:

US\$\_\_\_\_\_.

Wire transfer instructions for delivery of proceeds from the purchase of the Note are as follows:

[\_\_\_\_\_]

Date:\_\_\_\_\_

Your Signature<sup>1</sup>:\_\_\_\_\_

(Sign exactly as your name appears on the other side of this Note)

---

<sup>1</sup> Signatures shall be certified by a notary public or a recognized bank or be supported by such other evidence as the Company, the Agents or the Trustee may require.

**TRUSTEE, PAYING AGENT AND REGISTRAR**

**Trustee**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**Paying Agent and Registrar**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**EXHIBIT B**  
**FORM OF GLOBAL NOTE**

CHINA AOYUAN GROUP LIMITED

5.5% SENIOR NOTES DUE 2031

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Note and the IAI Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Note: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Note: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THIS SECURITY, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES

LAW, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Note: THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE DATE ON WHICH THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY'S AND THE PAYING AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN US\$1,000.

EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF ELAVON FINANCIAL SERVICES DAC, AS COMMON DEPOSITARY ("**COMMON DEPOSITARY**") FOR EUROCLEAR BANK SA/NV ("**EUROCLEAR**") AND CLEARSTREAM BANKING S.A. ("**CLEARSTREAM**") TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON

DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY, HAS AN INTEREST HEREIN.

THIS SECURITY IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGEABLE IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH COMMON DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.



No.

Common Code: [●]

ISIN Number: [●]

**China Aoyuan Group Limited**

**GLOBAL NOTE**

US\$[●]

**5.5% SENIOR NOTES DUE 2031**

China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), for value received, hereby promises to pay to Elavon Financial Services DAC (or its nominee), as common depositary; for Euroclear Bank SA/NV and Clearstream Banking S.A., or registered assigns upon surrender hereof the principal sum of [●] U.S. DOLLARS (US\$[●]), as revised by the Schedule of Exchanges of the Notes attached hereto, on September 30, 2031, or on such earlier date as the principal hereof may become due in accordance with the provisions hereof.

Interest Rate: 5.5% per annum.

Interest Payment Dates: March 30 and September 30 of each year, commencing on March 30, 2024 (in respect of the period from and including September 30, 2023 to but excluding March 30, 2024).

Interest Record Dates: One Clearing System Business Day immediately preceding an Interest Payment Date.

Reference is hereby made to the further provisions set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This Note shall not be valid or obligatory until the certificate of authentication hereon shall have been duly signed by the Trustee or an Authenticating Agent acting under the Indenture.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Date:

China Aoyuan Group Limited

By:

Name:

Title:

CERTIFICATE OF AUTHENTICATION

This is one of the 5.5% Senior Notes Due 2031 described in the Indenture referred to in this Note.

Date:

[●]

as Authenticating Agent

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

FORM OF REVERSE OF GLOBAL NOTE

CHINA AOYUAN GROUP LIMITED

5.5% SENIOR NOTES DUE 2031

1. Principal and Interest.

The Company promises to pay the principal of this Note on September 30, 2031.

The Company promises to pay interest on the principal amount of this Note on each Interest Payment Date, as set forth on the face of this Note, at the rate of 5.5% per annum.

Interest will be payable semi-annually in arrears (to the Holders of record of the Notes at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payments, where “Clearing System Business Day” means a weekday (Monday to Friday, inclusive) except December 25 and January 1) on each Interest Payment Date.

The Notes shall bear interest, accruing on the Interest Accrual Basis (1) from the Reference Date or from the most recent Interest Payment Date to which interest has been paid or duly provided for (2) to (but excluding) such Interest Payment Date and shall be payable on each Interest Payment Date entirely in paid-in-kind interest (such interest, “**PIK Interest**”) by increasing the principal amount of the Notes by the amount of such PIK Interest accrued for such interest period, unless the Company elects by giving notice in writing to the Trustee, the Paying Agent and the Holders (substantially in the form of Exhibit E of the Indenture) not less than 5 Business Days prior to the relevant Interest Payment Date to pay all or a portion of such interest in cash (such interest, “**Cash Interest**”) instead of PIK Interest.

Interest will be calculated on the basis of a 360-day year of twelve 30-day months. In any case in which the date of the payment of principal of or premium (if any) or interest on the Notes shall not be a Business Day in the relevant place of payment, then payment of such principal, premium (if any) or interest need not be made in such place on such date but may be made on the next succeeding Business Day in such place. Any payment made on such Business Day shall have the same force and effect as if made on the date on which such payment is due and no interest on the Notes shall accrue for the period after such date.

Interest not paid when due and any interest on principal, premium or interest not paid when due will be paid to the Persons that are Holders on a special record date, which will be the 15th day preceding the date fixed by the Company for the payment of such interest, whether or not such day is a Business Day. At least 15 days before a special record date, the Company will send to each Holder and to the Trustee a notice that sets forth the special record date, the payment date and the amount of interest to be paid.

2. Indenture; Collateral.

This is one of the Notes issued under an Indenture, dated as of [●], 20[●] (as amended from time to time, the “**Indenture**”), among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as Trustee. Capitalized terms used herein are used as defined in the Indenture unless otherwise indicated. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of all such terms.

To the extent permitted by applicable law, in the event of any inconsistency between the terms of this Note and the terms of the Indenture, the terms of the Indenture will control.

The Notes are general obligations of the Company. This Note will be secured by a pledge on the Custodian Account and the Healthy Life Shares standing to the credit of the Custodian Account, as set forth in the Indenture.

The Indenture limits, among other things, the ability of the Company to incur or guarantee additional Indebtedness and issue disqualified or preferred stock, declare dividends on its Capital Stock or purchase or redeem Capital Stock, make investments or other specified Restricted Payments, issue or sell Capital Stock of Restricted Subsidiaries, guarantee Indebtedness, sell, lease or transfer assets, create liens, enter into certain Sale and Leaseback Transactions, engage in any business other than Permitted Business, enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends, transfer assets or make intercompany loans, enter into transactions with equity holders or affiliates or effect a consolidation or merger.

### 3. Mandatory Redemption

The Company shall negotiate, agree, enter into and consummate one or more Healthy Life Sale(s), in each case at a price equivalent to a price per Healthy Life Share of no less than 85% of the 30 Trading Day Volume Weighted Average Price of the Healthy Life Shares, such that on or before [*the date falling two years after the RED*], the Company shall have disposed of all Healthy Life Shares it directly or indirectly holds. The Healthy Life Net Proceeds shall be used only in accordance with Section 3.01(b) of the Indenture.

The Company shall procure that any Healthy Life Net Proceeds received by the Group are immediately deposited into the Custodian Account. Notwithstanding anything to the contrary in the Indenture, within 45 business days from and including the date on which the cash balance of the Custodian Account exceeded US\$20 million, the Company shall apply all funds then held in the Custodian Account to redeem the then outstanding Notes at a redemption price equal to 100% of the Accreted Value, plus accrued and unpaid interest, if any, on such redeemed Notes up to but excluding the relevant redemption date, on a pro rata basis.

### 4. Optional Redemption.

Notwithstanding anything to the contrary in the Indenture, the Company may, at its sole discretion, use any Other Net Proceeds to make an Offer to Purchase the Notes by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per US\$1.00 of Notes of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate; *provided*, that no such Offer to Purchase may be made until the Add Hero Notes have been fully repaid, redeemed or repurchased in accordance with the terms thereof.

To the extent that any Other Net Proceeds remain unused after 45 business days of commencing the reverse Dutch auction under Section 3.02(a) of the Indenture, the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Notes, in whole or in part, at a redemption price equal to 100% of the Accreted Value thereof plus accrued and unpaid interest, if any, on the Notes redeemed to (but not including) the redemption date.

5. Selection and Notice

The Company will give not less than 30 days' nor more than 45 days' notice of any redemption pursuant to Section 3.01 or Section 3.02(b) of the Indenture to the Holders and the Trustee. If less than all of the Notes are to be redeemed, the Notes for redemption will be selected as follows:

(1) if the Notes are listed on any securities exchange and/or are held through any clearing system, in compliance with the requirements of the principal securities exchange on which the Notes are then traded and/or the clearing system through which the Notes are held; or

(2) if the Notes are not listed on any securities exchange and/or are not held through the clearing system, on a *pro rata* basis by lot or by such method as the Trustee in its sole and absolute discretion shall deem fair and appropriate unless otherwise required by law.

A Note of US\$1,000 in principal amount or less shall not be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount to be redeemed. A new Note in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note. On and after the redemption date, interest will cease to accrue on Notes or portions of them called for redemption.

6. Repurchase of Notes upon a Change of Control

Not later than 30 days following a Change of Control, the Company will make an Offer to Purchase all outstanding Notes (a "**Change of Control Offer**") at a purchase price equal to 101% of the Accreted Value thereof plus accrued and unpaid interest, if any, to (but not including) the Offer to Purchase Payment Date.

7. Registered Form; Denominations; Transfer; Exchange.

The Notes are in registered form without coupons in denominations of US\$1,000 and any multiple of US\$1 in excess thereof. A Holder may register the transfer or exchange of Notes in accordance with the Indenture. The Registrar may require a Holder to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. Pursuant to the Indenture, there are certain periods during which the Registrar will not be required to issue, register the transfer of or exchange any Note or certain portions of a Note.

8. Defaults and Remedies.

If an Event of Default, as defined in the Indenture, occurs and is continuing, the Trustee or the Holders or Beneficial Holders of at least 25% in aggregate principal amount of the Notes then outstanding, by written notice to the Company (and to the Trustee if such notice is given by the Holders or Beneficial Holders), may, and the Trustee at the written request of such Holders and Beneficial Holders shall (subject to the Trustee being indemnified and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable. If a bankruptcy or insolvency default with respect to the Company or a Principal Subsidiary occurs, the principal of, premium, if any, and accrued and unpaid interest on the Notes then outstanding automatically become immediately due and payable without any

declaration or other act on the part of the Trustee or any Holder or Beneficial Holder. Holders and Beneficial Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require security and indemnity satisfactory to it before it enforces the Indenture or the Notes. Subject to certain limitations, Holders or Beneficial Holders of a majority in principal amount of the Notes then outstanding may direct the Trustee in its exercise of remedies.

9. Amendment and Waiver.

Subject to certain exceptions, the Indenture, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Collateral Agency Agreement, any Security Document and the Notes may be amended, or default may be waived, with the consent of the Holders of a majority in aggregate principal amount of the Outstanding Notes. Without notice to or the consent of any Holder, the Company and the Trustee may amend or supplement the Indenture, the Subsidiary Guarantees (if any), the JV Subsidiary Guarantees (if any), the Collateral Agency Agreement, any Security Document or the Notes to, among other things, cure any ambiguity, defect or inconsistency, or make any other change that does not materially and adversely affect the rights of any Holder.

10. Authentication.

This Note is not valid until the Trustee or the Authenticating Agent signs the certificate of authentication on the other side of this Note.

11. Governing Law.

This Note shall be governed by, and construed in accordance with, the laws of the State of New York.

12. Abbreviations.

Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian) and U/G/M/A/ (= Uniform Gifts to Minors Act).

The Company will furnish a copy of the Indenture to any Holder upon written request and without charge.

TRANSFER NOTICE

FOR VALUE RECEIVED, the undersigned hereby transfers to

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(PRINT NAME AND ADDRESS OF TRANSFEREE)

US\$ \_\_\_\_\_ principal amount of this Note, and all rights with respect thereto, and irrevocably constitutes and appoints \_\_\_\_\_ as attorney to transfer this Note on the books kept for registration thereof, with full power of substitution.

Dated

Signed

\_\_\_\_\_  
Certifying Signature

Note:

(i) A representative of the Holder of the Note should state the capacity in which he or she signs (*e.g.*, executor).

(ii) The signature of the person effecting the transfer shall conform to any list of duly authorized specimen signatures supplied by the Holder or (if such signature corresponds with the name as it appears on the face of this Note) shall be certified by a notary public or a recognized bank or be supported by such other evidence as the Company, the Agents, or the Trustee may require.



#### OPTION OF HOLDER TO ELECT PURCHASE

If you wish to have all of this Note purchased by the Company pursuant to Section 4.12 or 4.13 of the Indenture, check the box: ☐

If you wish to have a portion of this Note purchased by the Company pursuant to Section 4.12 or 4.13 of the Indenture, state the amount (in original principal amount) below:

US\$\_\_\_\_\_.

Wire transfer instructions for delivery of proceeds from the purchase of the Note are as follows:

[\_\_\_\_\_]

Date:\_\_\_\_\_

Your Signature<sup>2</sup>:\_\_\_\_\_

(Sign exactly as your name appears on the other side of this Note)

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<sup>2</sup> Signatures shall be certified by a notary public or a recognized bank or be supported by such other evidence as the Company, the Agents or the Trustee may require.

## SCHEDULE OF EXCHANGES OF NOTES

The following changes in the aggregate principal amount of Notes represented by this Global Note have been made:

<b>Date of Decrease/ Increase</b>	<b>Amount of decrease in aggregate principal amount of Notes</b>	<b>Amount of increase in aggregate principal amount of Notes</b>	<b>Outstanding Balance</b>	
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**TRUSTEE, PAYING AGENT AND REGISTRAR**

**Trustee**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**Paying Agent and Registrar**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**EXHIBIT C**  
**FORM OF COMPANY AUTHORIZATION CERTIFICATE**

I, [Name], [Title], acting on behalf of China Aoyuan Group Limited, hereby certify that:

(A) the persons listed below are (i) Authorized Officers of the Company for purposes of the Indenture dated as of [●], 20[●] (as amended from time to time, the “**Indenture**”) among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as trustee (the “**Trustee**”) and (ii) the duly authorized person who executed or will execute the Notes (as defined in the Indenture) by his manual or facsimile signature was at the time of such execution, duly elected or appointed, qualified and acting as the holder of the office set forth opposite his name; and

(B) each signature appearing below is the person’s genuine signature.

Authorized Officers:

<b>Name</b>	<b>Title</b>	<b>Signature</b>
_____	_____	_____

IN WITNESS WHEREOF, I have hereunto signed my name.

Date:

China Aoyuan Group Limited

By:

\_\_\_\_\_

Name:

Title:

**EXHIBIT D**  
**FORM OF PAYING AGENT AND REGISTRAR APPOINTMENT LETTER**

[Date]

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Facsimile: +852 2599 9501  
Email: agent@madisonpac.com  
Attention: Ms. Cassandra Ho

Re: 5.5% SENIOR NOTES DUE 2031 OF CHINA AOYUAN GROUP LIMITED

Reference is hereby made to the Indenture dated as of [●], 20[●] (as amended from time to time, the “**Indenture**”) among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited (the “**Trustee**”). Terms used herein are used as defined in the Indenture.

The Company hereby appoints Madison Pacific Trust Limited as the paying agent and transfer agent (the “**Paying Agent**”), the registrar (the “**Registrar**”) and authenticating agent with respect to the Notes, and each of the Paying Agent and the Registrar hereby accept such appointment. By accepting such appointment, each of the Paying Agent and the Registrar agrees to be bound by and to perform the services with respect to itself set forth in the terms and conditions set forth in the Indenture and the Notes, as well as the following terms and conditions to all of which the Company agrees and to all of which the rights of the holders from time to time of the Notes shall be subject:

(a) Each of the Paying Agent and the Registrar shall be entitled to the compensation to be agreed upon in writing with the Company and the Subsidiary Guarantors (if any), jointly and severally, for all services rendered by it under the Indenture, and the Company and the Subsidiary Guarantors (if any), jointly and severally, agree promptly to pay such compensation and to reimburse each of the Paying Agent and the Registrar for its respective out-of-pocket expenses (including fees and expenses of counsel) incurred by it in connection with the services rendered by it under the Indenture. The Company and the Subsidiary Guarantors (if any) jointly and severally hereby agree to indemnify each of the Paying Agent and the Registrar and their respective officers, directors, agents and employees and any successors thereto for, and to hold them harmless against, any loss, liability or expense (including fees and expenses of counsel) properly incurred without fraud, gross negligence or willful misconduct on its part arising out of or in connection with its acting as Paying Agent or the Registrar, as the case may be, hereunder. The obligations of the Company and the Subsidiary Guarantors (if any) under this paragraph (a) shall survive the payment of the Notes, the termination or expiry of the Indenture or this letter and the resignation or removal of the Paying Agent or the Registrar. Under no circumstances will the Paying Agent or the Registrar be liable to the Company or any other party to this letter or the Indenture for any indirect, consequential, punitive or special loss or damages, of any kind whatsoever (including, but not limited to, loss of business, goodwill, opportunity or profit), whether or not foreseeable, even if advised of the possibility of

such loss or damage and regardless of the form of action. This provision shall survive the termination or discharge of this letter, repayment of the Notes and the resignation or removal of the Paying Agent and/or the Registrar.

(b) In acting under the Indenture and in connection with the Notes, each of the Paying Agent and the Registrar is acting solely as agent of the Company and does not assume any obligation towards or relationship of agency or trust for or with any of the owners or holders of the Notes, except that all funds held by the Paying Agent for the payment of principal interest or other amounts (including Additional Amounts) on, the Notes shall, subject to the provisions of the Indenture, be held in trust by the Paying Agent and applied as set forth in the Indenture and in the Notes, but need not be segregated from other funds held by the Paying Agent, except as required by law.

(c) Each of the Paying Agent and the Registrar may consult with counsel satisfactory to it and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Indenture in good faith and in accordance with such advice or opinion.

(d) Each of the Paying Agent and the Registrar shall be fully protected and shall incur no liability for or in respect of any action taken or omitted to be taken or thing suffered by it in reliance upon any Note, notice, direction, consent, certificate, affidavit, statement or other paper or document believed by it to be genuine and to have been presented or signed by the proper party or parties.

(e) Each of the Paying Agent and the Registrar and any of its Affiliates, in its individual capacity or any other capacity, may become the owner of, or acquire any interest in, any Notes or other obligations of the Company with the same rights that it would have if it were not the Paying Agent or the Registrar, as the case may be, and may engage or be interested in any financial or other transaction with the Company, and may act on, or as common depositary, Trustee or agent for, any committee or body of holders of Notes or other obligations of the Company, as freely as if it were not the Paying Agent or the Registrar.

(f) The Paying Agent shall give the Trustee written notice of any failure by the Company (or by any other obligor on the Notes or the Subsidiary Guarantees (if any)) to make any payment of the principal, or premium or interest on, the Notes and any other payments to be made on behalf of the Company under the Indenture, when the same shall be due and payable and at any time during the continuance of any such failure the Paying Agent will pay any such sums so held in trust by it to the Trustee upon the Trustee's written request.

(g) Neither the Paying Agent nor the Registrar shall be under any liability for interest on any monies received by it pursuant to any of the provisions of this letter, the Indenture or the Notes.

(h) Each of the Paying Agent and the Registrar shall be obligated to perform such duties and only such duties as are in this letter, the Indenture and the Notes specifically set forth, and no implied duties or obligation shall be read into this letter, the Indenture or the Notes against the Paying Agent or the Registrar. Neither the Paying Agent nor the Registrar shall be under any obligation to take any action under this letter, the Indenture which may tend to involve it in any expense or liability, the payment of which is not, in its opinion, assured to it. The Paying Agent and the Registrar shall have no obligation to expend their own funds or otherwise incur any financial liability in the performance of their respective obligations hereunder or under the Indenture.

(i) Each of the Paying Agent and the Registrar may at any time resign by giving written notice of its resignation to the Company and the Trustee and specifying the date on which its resignation shall become effective; *provided* that such date shall be at least 60 days after the date on which such notice is given unless the Company agrees to accept shorter notice. Upon receiving such notice of resignation, if required by the Indenture the Company shall promptly appoint a successor paying agent or registrar, as the case may be, by written instrument substantially in the form hereof in triplicate signed on behalf of the Company, one copy of which shall be delivered to the resigning Paying Agent or Registrar, as the case may be, one copy to the successor paying agent or registrar, as the case may be, and one copy to the Trustee. Upon the effectiveness of the appointment of a successor paying agent or registrar, as the case may be, the Paying Agent or Registrar, as the case may be, shall have no further obligations under this letter or the Indenture.

Such resignation shall become effective upon the earlier of (i) the effective date of such resignation and (ii) the acceptance of appointment by the successor paying agent or registrar, as the case may be, as provided below. The Company may, at any time and for any reason, remove the Paying Agent or Registrar and appoint a successor paying agent or registrar, as the case may be, by written instrument in triplicate signed on behalf of the Company, one copy of which shall be delivered to the Paying Agent or Registrar being removed, one copy to the successor paying agent or registrar, as the case may be, and one copy to the Trustee. Any removal of the Paying Agent or Registrar and any appointment of a successor paying agent or registrar, as the case may be, shall become effective upon acceptance of appointment by the successor paying agent or registrar, as the case may be, as provided below. Upon its resignation or removal, the Paying Agent or Registrar shall be entitled to the payment by the Company of its compensation for the services rendered hereunder and to the reimbursement of all out-of-pocket expenses properly incurred in connection with the services rendered by it hereunder.

The Company shall remove the Paying Agent and appoint a successor paying agent if the Paying Agent (i) shall become incapable of acting, (ii) shall be adjudged bankrupt or insolvent, (iii) shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, (iv) shall consent to, or shall have had entered against it a court order for, any such relief or to the appointment of or taking possession by any such official in any involuntary case or other proceedings commenced against it, (v) shall make a general assignment for the benefit of creditors or (vi) shall fail generally to pay its debts as they become due.

Any successor paying agent or registrar, as the case may be, appointed as provided herein shall execute and deliver to its predecessor and to the Company and the Trustee an instrument accepting such appointment (which may be in the form of an acceptance signature to the letter of the Company appointing such agent) and thereupon such successor paying agent or registrar, as the case may be, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as Paying Agent or Registrar, as the case may be, and such predecessor shall pay over to such successor agent all monies or other property at the time held by it hereunder.



(j) Notwithstanding anything contained herein to the contrary, each of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors hereby irrevocably agrees that any and all of the rights and obligations of any Agent (except the Trustee) and, to the extent applicable, the obligations of the Company, the Subsidiary Guarantors and the JV Subsidiary Guarantors toward any Agent (except the Trustee) set forth in the Indenture shall be deemed to have been included in this letter.

(k) Notwithstanding anything contained herein to the contrary, the obligations of the Paying Agent and the Registrar under this letter are several and not joint and should be independently construed and each of the Paying Agent and the Registrar shall not be liable for each other's acts or omissions to act.

(l) Each of the Paying Agent and the Registrar will treat information relating to the Company, the JV Subsidiary Guarantors and the Subsidiary Guarantors as confidential, but (unless consent is prohibited by law) the Company, the JV Subsidiary Guarantors and the Subsidiary Guarantors consent to the transfer and disclosure by the Paying Agent and the Registrar of any information relating to the Company, the JV Subsidiary Guarantors and the Subsidiary Guarantors to and between the respective branches, subsidiaries, representative offices, affiliates and agencies of the Paying Agent and the Registrar and third parties selected by any of them, wherever situated, for internal use only (including in connection with the provision of any service and for data processing, statistical and risk analysis purposes). The Paying Agent, the Registrar and any branch, subsidiary, representative office, affiliate, agent or third party may transfer and disclose any such information as required by any law, court regulator or legal process after prior written notice to the Company, to the extent not prohibited by law.

(m) Each of the Company, the JV Subsidiary Guarantors and the Subsidiary Guarantors hereby irrevocably waives, in favor of the Paying Agent and the Registrar, any conflict of interest which may arise by virtue of the Paying Agent or the Registrar, as the case may be, acting in various capacities under the Indenture and this letter or for other customers of the Paying Agent or the Registrar, as the case may be. The Company acknowledges that the Paying Agent, the Registrar and their respective affiliates (together, the **"Paying Agent and Registrar Parties"**) may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) other than as a result of the Paying Agent or Registrar, as the case may be, acting hereunder, that the Paying Agent or Registrar, as the case may be, may not be entitled to share with the Company. The Paying Agent and Registrar will not disclose confidential information obtained from the Company (without its consent) to any of such Paying Agent's or Registrar's, as the case may be, other customers nor will such Paying Agent or Registrar, as the case may be, use on the Company's behalf any confidential information obtained from any other customers. Without prejudice to the foregoing, the Company agrees that the Paying Agent and Registrar Parties may deal (whether for their own or their customers' account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Indenture and this letter.

(n) Each of the Paying Agent and Registrar may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any attorney or agent appointed with due care by it hereunder.

(o) Each of the Paying Agent and the Registrar shall at all times be authorized by law to exercise its respective powers and duties hereunder and under the Indenture and the Notes.

(p) Any notice or communication to the Paying Agent or the Registrar will be deemed given when sent by facsimile transmission or electronic mail, with transmission confirmed. Any notice to the Paying Agent or the Registrar will be effective only upon receipt. The notice or communication should be addressed:

To the Paying Agent and the Registrar at:

Madison Pacific Trust Limited

17th Floor, Far East Finance Centre

16 Harcourt Road, Admiralty

Hong Kong

Facsimile: +852 2599 9501

Email: agent@madisonpac.com

Attention: Ms. Cassandra Ho

Any notice to the Company or the Trustee shall be given as set forth in the Indenture.

(q) Any corporation into which the Paying Agent or the Registrar may be merged or converted or any corporation with which the Paying Agent or the Registrar may be consolidated or any corporation resulting from any merger, conversion or consolidation to which the Paying Agent or the Registrar shall be a party or any corporation succeeding to the business of the Paying Agent or the Registrar shall be the successor to such Paying Agent and Registrar, as the case may be, hereunder (*provided* that such corporation shall be qualified as aforesaid) without the execution or filing of any document or any further act on the part of any of the parties hereto.

(r) Any amendment, supplement or waiver under Section 9.01 and 9.02 of the Indenture that adversely affects the Paying Agent or the Registrar shall not affect the Paying Agent and the Registrar's respective rights, powers, obligations, duties or immunities, unless the Paying Agent or the Registrar, as the case may be, has consented thereto.

(s) Notwithstanding anything to the contrary in this letter, neither the Paying Agent nor the Registrar shall be liable for any loss or damage, or any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any reason which is beyond the control of such Paying Agent or the Registrar, as the case may be, including, but not limited to, by any existing or future law or regulation, any existing or future act of governmental authority, Act of God, flood, war whether declared or undeclared, new outbreak of disease or an escalation of an existing pandemic or epidemic, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any money transmission system or any event where, in the opinion of such Paying Agent or the Registrar, as the case may be, performance of any duty or obligation under or pursuant to this letter would or may be illegal or would result in such Paying Agent or the Registrar, as the case may be, being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or

self-regulatory organization to which such Paying Agent or the Registrar, as the case may be, is subject.

(t) The Company and the Subsidiary Guarantors (if any) agree that the provisions of Section 12.06 of the Indenture shall apply hereto, *mutatis mutandis*.

(u) This letter may be signed in various counterparts which together will constitute one and the same instrument.

China Aoyuan Group Limited

By: \_\_\_\_\_

Name:

Title:

Agreed and accepted:

Madison Pacific Trust Limited as Paying Agent and Registrar

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

Acknowledged by:

Madison Pacific Trust Limited as Trustee

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT E**  
**FORM OF CASH INTEREST NOTICE**

[Date]<sup>3</sup>

Madison Pacific Trust Limited  
*as Trustee*

*and*

Madison Pacific Trust Limited  
*as Paying Agent and Registrar*

17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Facsimile: +852 2599 9501

Email: [agent@madisonpac.com](mailto:agent@madisonpac.com)

Attention: Ms. Cassandra Ho

**Cash Interest Notice with respect to the 5.5% Senior Notes due 2031 (ISIN: [●] | Common Code: [●]) issued by China Aoyuan Group Limited**

Reference is hereby made to the Indenture, dated as of [●], 20[●], as amended, supplemented or modified from time to time (the “**Indenture**”), among China Aoyuan Group Limited, an exempted company incorporated under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In accordance with Section 2.04(b) of the Indenture, the Company hereby elects to pay interest in an amount of US\$[●] on *[Interest Payment Date]*, consisting of Cash Interest in an amount of US\$[●] and PIK Interest in an amount of US\$[●], which are calculated on the basis of an Interest Accrual Basis for the Notes of US\$[●], an interest rate of 5.5% per annum and a 360-day year comprised of twelve 30-day months.

The Company hereby instructs the Paying Agent and the Trustee to increase the outstanding principal amount of the relevant Global Notes by US\$[●]<sup>4</sup> by making the appropriate amendments to the Schedule of Exchanges of Notes in the Global Notes.

---

<sup>3</sup> Such date should be at least 5 Business Days prior to the relevant Interest Payment Date.

<sup>4</sup> The amount of PIK Interest due on the relevant Interest Payment Date.

China Aoyuan Group Limited

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT F**  
**FORM OF SUPPLEMENTAL INDENTURE**

**dated as of \_\_\_\_\_, \_\_\_\_**  
**among**

**China Aoyuan Group Limited**  
**as the Company**

**and**

**The entities listed on Schedule I hereto**  
**as the Subsidiary Guarantors**

**and**

**Madison Pacific Trust Limited**  
**as Trustee**

**5.5% SENIOR NOTES DUE 2031**

THIS SUPPLEMENTAL INDENTURE (this “**Supplemental Indenture**”), entered into as of \_\_\_\_\_, \_\_\_\_\_, among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), the Subsidiary Guarantors listed on Schedule I hereto (the “**Subsidiary Guarantors**”) and *[insert each new Guarantor executing this Supplemental Indenture and its jurisdiction of incorporation]* (each an “**Undersigned**”) and Madison Pacific Trust Limited, as trustee (the “**Trustee**”). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture (as defined below).

## RECITALS

WHEREAS, the Company, the Subsidiary Guarantors party thereto and the Trustee entered into the Indenture, dated as of [●], 20[●] (the “**Indenture**”), relating to the Company’s 5.5% Senior Notes Due 2031 (the “**Notes**”).

WHEREAS, pursuant to Section 11.09 and 11.10 of the Indenture each new Subsidiary Guarantor is required to enter into a supplemental indenture which supplemental indenture may be entered into without the consent of the Holders pursuant to Section 9.01(a)(iv).

WHEREAS, as a condition to the Trustee entering into the Indenture and the purchase of the Notes by the Holders, the Company agreed pursuant to the Indenture to cause any future Restricted Subsidiaries (other than those organized under the laws of the PRC) to provide Subsidiary Guarantees.

## AGREEMENT

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Supplemental Indenture hereby agree as follows:

Section 1. Capitalized terms used herein and not otherwise defined herein are used as defined in the Indenture.

Section 2. Each Undersigned, by its execution of this Supplemental Indenture, agrees to be a Subsidiary Guarantor under the Indenture and to be bound by all the terms of the Indenture applicable to Subsidiary Guarantors, including, but not limited to, Article 11 thereof.

Section 3. This Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

Section 4. This Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument.

Section 5. This Supplemental Indenture is an amendment supplemental to the Indenture and the Indenture and this Supplemental Indenture will henceforth be read together.

Section 6. The recitals contained herein shall be taken as the statements of the Company, the Subsidiary Guarantors and the Undersigned, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Supplemental Indenture.



Section 7. Notwithstanding anything contained herein, nothing in this Supplemental Indenture shall relieve the Company, the Subsidiary Guarantors or the Trustee of any of their obligations under the Indenture, as amended and supplemented by this Supplemental Indenture, and the Notes.

Section. 8. All of the provisions of the Indenture shall remain in full force and effect as set forth therein.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

China Aoyuan Group Limited

By: \_\_\_\_\_  
Name:  
Title:

FOR AND ON BEHALF OF EACH OF THE  
SUBSIDIARY GUARANTORS LISTED IN  
SCHEDULE I HERETO

By: \_\_\_\_\_  
Name:  
Title:

*[New Guarantor]*

By: \_\_\_\_\_  
Name:  
Title:

Madison Pacific Trust Limited, as Trustee

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE F  
TO EXHIBIT I**

**LIST OF SUBSIDIARY GUARANTORS**

*[List of all Subsidiary Guarantors at the time Supplemental Indenture is signed]*

**EXHIBIT G**  
**FORM OF COMPLIANCE CERTIFICATE**

This Compliance Certificate is delivered pursuant to Section 6.08 of the Indenture, dated as of [●], 20[●], as amended, supplemented or modified from time to time (the “**Indenture**”) in respect of the 5.5% Senior Notes Due 2031 (ISIN: [●]/Common Code: [●]), among China Aoyuan Group Limited, a company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as trustee (the “**Trustee**”). Terms defined in the Indenture are used herein as therein defined.

Each of the undersigned hereby certifies to the Trustee as follows:

1. I am the duly elected, qualified and acting [title] or [title], as the case may be, of the Company.
2. I have reviewed and am familiar with the contents of this Compliance Certificate.
3. I have reviewed the terms of the Indenture, the Collateral Agency Agreement and the Security Documents and have made or caused to be made under my supervision, a review in reasonable detail of the Collateral and the condition of the Collateral. Such review did not disclose the existence during or at the end of the annual period covered by this Compliance Certificate, and I have no knowledge of the existence as of the date of this Compliance Certificate, of any condition or event which would impair the perfected security interest created by the Security Documents with at least the priority of such security interest on the Original Issue Date[, except as set forth below].
4. Based upon the advice of counsel, all action has been taken with respect to the recording, registering, filing, re-recording, registering and re-filing of all supplemental indentures, financing statements, continuation statements or other instruments of further assurance as may be necessary to maintain the Liens granted pursuant to the Security Documents to the extent required by the Security Documents, if any [and, if necessary, reciting the details of such action].
5. Since the Original Issue Date:
  - (a) none of the Company nor any Subsidiary Guarantor (if any) has changed its jurisdiction of organization, name, identity or corporate structure to such an extent that any financing statement or other Security Document filed by or on behalf of the Trustee would become misleading;
  - (b) the Company has provided such assistance to the Trustee with respect to any re-filing, re-recording or continuation of documentation with respect to the Collateral as necessary to maintain such security interest in the Collateral in favor of the Trustee on behalf of the Holders of Notes.
  - (c) except, in each case, (i) any of the foregoing that has been previously disclosed to the Trustee in accordance with the Indenture and any relevant Security Document and in respect of which the Company and each Subsidiary Guarantor (if any) have delivered to the Trustee all required documents and other filings required to maintain the perfection and priority of the Trustee’s security interest in the Collateral after giving effect to such event, in each case as required by the Indenture and the relevant Security Documents and (ii) any of the foregoing described in Attachment 1 hereto in respect

of which the Company or the Subsidiary Guarantor is delivering to the Trustee herewith all required statements and other filings required to maintain the perfection and priority of the Trustee's security interest in the Collateral after giving effect to such event, in each case as required by the Indenture and the relevant Security Documents.

6. That a review has been conducted of the activities of the Company and its Restricted Subsidiaries and the Company's and its Restricted Subsidiaries' performance under the Indenture, in each case since the Original Issue Date, [and that the Company and the Subsidiary Guarantors (if any) have been since the Original Issue Date and are in compliance with all obligations under the Indenture]/[if there has been a default in the fulfillment of any obligation under the Indenture, specifying each such default and the nature and status thereof.]

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate as of the date set forth below.

China Aoyuan Group Limited

By: \_\_\_\_\_

Name:

Title:

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_, 20\_\_

**EXHIBIT H**  
**PAYING AGENT AND REGISTRAR**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong



## **EXHIBIT I**

### **Form of Subsidiary Guarantee**

Each of the undersigned (the “**Subsidiary Guarantors**”) hereby, jointly and severally, guarantees as principal obligor to each Holder of a Note authenticated by the Trustee or the Authenticating Agent and to the Trustee and its successors and assigns the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes and the Indenture. The obligations of each Subsidiary Guarantor are unconditional and absolute and, without limiting the generality of the foregoing, will not be released, discharged or otherwise affected by: (1) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of the Company under the Indenture or any Note, by operation of law or otherwise; (2) any modification or amendment of or supplement to the Indenture or any Note; (3) any change in the corporate existence, structure or ownership of the Company, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Company or its assets or any resulting release or discharge of any obligation of the Company contained in the Indenture or any Note; (4) the existence of any claim, set off or other rights which the Subsidiary Guarantor may have at any time against the Company, the Trustee or any other Person, whether in connection with the Indenture or any unrelated transactions; provided that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim; (5) any invalidity, irregularity, or unenforceability relating to or against the Company for any reason of the Indenture or any Note; or (6) any other act or omission to act or delay of any kind by the Company, the Trustee or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to such Subsidiary Guarantor’s obligations hereunder.

This Subsidiary Guarantee will not be discharged with respect to any Note except by payment in full of the principal of, premium, if any, and interest on the Notes and all other amounts payable, in respect of any Subsidiary Guarantor, or as otherwise contemplated in the Indenture. In case of the failure of the Company punctually to pay any such principal of, premium, if any, and interest on the Notes and all other amounts payable, each of the Subsidiary Guarantors hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at the stated maturity, by acceleration, call for redemption or otherwise, and as if such payment were made by the Company.

Subject to certain exceptions as set forth in the Indenture, each of the Subsidiary Guarantors hereby further agrees that all payments of, or in respect of, principal of, and premium (if any) and interest in respect of this Subsidiary Guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company, a Surviving Person (as defined in the Indenture) or the applicable Subsidiary Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, each Subsidiary Guarantor severally agrees to pay such additional amounts as will result in receipt by the Holder of this Subsidiary Guarantee of such amounts as would have been received by such Holder had no such withholding or deduction been required.

The obligations of the Subsidiary Guarantors to the Holder of this Note and to the Trustee pursuant to this Subsidiary Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture, and reference is hereby made to such Article and Indenture for the precise terms of the Subsidiary Guarantee.

This Subsidiary Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note upon which this Subsidiary Guarantee is endorsed shall have been executed by the Trustee or an Authenticating Agent under the Indenture by manual signature of one of its authorized officers.

*[Subsidiary Guarantors]*

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT J**  
**Form of JV Subsidiary Guarantee**

Each of the undersigned (the “**JV Subsidiary Guarantors**”) hereby, jointly and severally, guarantees as principal obligor to each Holder of a Note authenticated by the Trustee or an Authenticating Agent and to the Trustee and its successors and assigns the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Notes and the Indenture, in each case, subject to the terms of the Indenture and up to a limit that is equal to the JV Entitlement Amount. The obligations of each JV Subsidiary Guarantor are unconditional and absolute and, without limiting the generality of the foregoing, will not be released, discharged or otherwise affected by: (1) any extension, renewal, settlement, compromise, waiver or release in respect of any obligation of the Company under the Indenture or any Note, by operation of law or otherwise; (2) any modification or amendment of or supplement to the Indenture or any Note; (3) any change in the corporate existence, structure or ownership of the Company, or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Company or its assets or any resulting release or discharge of any obligation of the Company contained in the Indenture or any Note; (4) the existence of any claim, set off or other rights which the JV Subsidiary Guarantor may have at any time against the Company, the Trustee or any other Person, whether in connection with the Indenture or any unrelated transactions; *provided* that nothing herein prevents the assertion of any such claim by separate suit or compulsory counterclaim; (5) any invalidity, irregularity, or unenforceability relating to or against the Company for any reason of the Indenture or any Note; or (6) any other act or omission to act or delay of any kind by the Company, the Trustee or any other Person or any other circumstance whatsoever which might, but for the provisions of this paragraph, constitute a legal or equitable discharge of or defense to such JV Subsidiary Guarantor’s obligations hereunder.

This JV Subsidiary Guarantee will not be discharged with respect to any Note except by payment in full of the principal of, premium, if any, and interest on the Notes and all other amounts payable, in respect of any JV Subsidiary Guarantor, or as otherwise contemplated in the Indenture (subject to a limit that is equal to the JV Entitlement Amount). In case of the failure of the Company punctually to pay any such principal of, premium, if any, and interest on the Notes and all other amounts payable, each of the JV Subsidiary Guarantors hereby agrees to cause any such payment to be made punctually when and as the same shall become due and payable, whether at the stated maturity, by acceleration, call for redemption or otherwise, and as if such payment were made by the Company; *provided*, that such payment does not exceed the JV Entitlement Amount as defined in the Indenture.

Subject to certain exceptions as set forth in the Indenture, each of the JV Subsidiary Guarantors hereby further agrees that all payments of, or in respect of, principal of, and premium (if any) and interest in respect of this JV Subsidiary Guarantee will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company, a Surviving Person (as defined in the Indenture) or the applicable JV Subsidiary Guarantor is organized or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required,

each JV Subsidiary Guarantor severally agrees to pay such additional amounts as will result in receipt by the Holder of this JV Subsidiary Guarantee of such amounts as would have been received by such Holder had no such withholding or deduction been required.

The obligations of the JV Subsidiary Guarantors to the Holder of this Note and to the Trustee pursuant to this JV Subsidiary Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture, and reference is hereby made to such Article and Indenture for the precise terms of the JV Subsidiary Guarantee.

*[JV Subsidiary Guarantors]*

By: \_\_\_\_\_

Name:

Title:

**EXHIBIT K**  
**Form of Transfer Certificate**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong  
as Registrar

Re: China Aoyuan Group Limited  
5.5% Senior Notes Due 2031 (the “Notes”)

Dear Sirs or Madams,

Reference is hereby made to the Indenture, dated as of [●], 20[●] (the “**Indenture**”), among China Aoyuan Group Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

\_\_\_\_\_ (the “**Transferor**”) owns and proposes to transfer the Note or a beneficial interest in the Note specified in Annex A hereto, in the principal amount of US\$\_\_\_\_\_ (the “**Transfer**”), to \_\_\_\_\_ (the “**Transferee**”), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK]

☐ The amount of the Transfer is equal to or greater than US\$1,000.

The Transferor hereby further certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the Rule 144A Global Note or a Certificated Note pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and, accordingly, the Transferor hereby further certifies that the beneficial interest or Certificated Note is being transferred to a Person that the Transferor or any Person acting on its behalf reasonably believed and believes is purchasing the beneficial interest or Certificated Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act to whom notice has been given that the transfer is being made in reliance on Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with all applicable

securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certificated Note will be subject to the restrictions on transfer enumerated in the legend printed on the Rule 144A Global Note and/or the Certificated Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the IAI Global Note or a Certificated Note.** The Transferor hereby certifies that the beneficial interest or the Certificated Note is being transferred to a Person that is an institutional “accredited investor” (“IAI”) within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act is purchasing for its own account or for the account of such institutional “accredited investor,” in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the Securities Act, and that has provided the attached duly executed IAI Investment Letter (annexed as Annex B hereto) pursuant to an exemption from the registration requirements in the Securities Act and in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certificated Note will be subject to the restrictions on transfer enumerated in the legend printed on the IAI Global Note and/or the Certificated Note and in the Indenture and the Securities Act.

3. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Certificated Note pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Regulation S under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the offer of this Note was not made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and such Transferor or any person acting on its behalf does not know that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in connection with the Transfer in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S under the Securities Act, (iii) if the Transfer is made during a period of 40 days beginning on and including the later of the original issue date of the Note and the date on which the Note was first offered to persons other than distributors (as defined in rule 902 of Regulation S) in reliance on Regulation S, the Transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person, (iv) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act, and (v) such Transfer is in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certificated Note will be subject to the restrictions on transfer enumerated in the legend printed on the Regulation S Global Note and/or the Certificated Note and in the Indenture and the Securities Act.

4. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Global Note or a Certificated Note pursuant to any other exemption provision of the Securities Act.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Global Notes and Certificated Notes and pursuant to and in accordance with the Securities Act and all applicable securities laws of any other jurisdiction.

You, the Company and the Subsidiary Guarantors[ and the JV Subsidiary Guarantors] are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

*[Name of Transferor]*

By:

\_\_\_\_\_  
Name:

Title:

## ANNEX A

### TO TRANSFER CERTIFICATE

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Note (ISIN: XS[●]/ Common Code: [●]); or
- (ii) ☐ IAI Global Note (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Note (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificated Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Note (ISIN: XS[●]/Common Code: [●]); or
- (ii) ☐ IAI Global Note (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Note (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificated Note,

in accordance with the terms of the Indenture.



**ANNEX B**

**TO TRANSFER CERTIFICATE**

**FORM OF IAI INVESTMENT LETTER**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong  
as Registrar

Dear Sirs or Madams,

Reference is hereby made to the Indenture, dated as of [●], 20[●] (the “**Indenture**”), among China Aoyuan Group Limited, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the “**Company**”), and Madison Pacific Trust Limited, as Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture. In connection with our proposed purchase of US\$[*insert principal amount of Notes*] aggregate principal amount of Notes, we represent and warrant as follows:

1. We have received such information as we deem necessary in order to make our investment decision have evaluated the risks of investing in the Notes and have determined that it is a suitable investment.
2. We understand that any subsequent transfer of the Notes is subject to certain restrictions and conditions set forth in the Indenture and the Notes and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the “**Securities Act**”).
3. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, not to offer, sell or otherwise transfer such Notes except (A) to the Company or one of its subsidiaries, (B) pursuant to a registration statement which has been declared effective under the Securities Act, (C) for so long as the Notes are eligible for resale pursuant to Rule 144A under the Securities Act (“**Rule 144A**”), to a person we reasonably believe is a “qualified institutional buyer” as defined in Rule 144A that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A, (D) to an institutional “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that is purchasing for its own account or for the account of such an institutional “accredited investor,” in each case for investment purposes and not with a view to or for offer or sale in connection with any distribution in violation of the Securities Act and that, before such transfer, furnishes to the Company a signed letter, substantially identical to this letter, containing certain representations and agreements relating to the transfer of the Notes, (E) outside the United States in compliance with Regulation S of the Securities Act, or (F) pursuant to any other available exemption from the registration requirements of the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction. We understand that, on any proposed resale of any Notes, we and each subsequent holder will be required to deliver to the transferee of the Notes or any interest or participation therein a notice substantially to the foregoing effect.

4. We understand that, on any proposed resale of any Notes, we will be required to furnish to the Company such certifications, legal opinions, and other information (including a letter substantially similar to this one from any purchaser who is an institutional accredited investor) as it may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to substantially the foregoing effect.
5. We invest or purchase securities similar to the Notes in the normal course of our business.
6. We are an institution that is an accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and understand that we and any accounts for which we act must bear the economic risk of its investment indefinitely and we and any accounts for which we act are each able to bear the economic risk of our own or of any such accounts' investment for an indefinite period of time.
7. We are acquiring the Notes for our own account or for one or more accounts (each of which is an institutional accredited investor) as to each of which we exercise in our sole investment discretion and not with a view to any distribution of the Notes in violation of the Securities Act and acquiring such Notes not as a result of any form of general solicitation or general advertising (within the meaning of Regulation D), subject, nevertheless, to the understanding that the disposition of our property will at all times be and remain within our control.
8. We are acquiring the Notes having at least a minimum principal amount of US\$1,000.

*[Name of Transferee]*

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE I**  
**CHAIRMAN SHARES**

1. [number] ordinary shares in China Aoyuan Group Limited held by or on behalf of Mr. Guo Zi Wen, which, as of the date of this Indenture, represents 10% of the total share capital of China Aoyuan Group Limited (the “**Chairman’s Aoyuan Shares**”)

2. [number] ordinary shares in Aoyuan Healthy Life Group Company Limited held by or on behalf of Mr. Guo Zi Wen, which, as of the date of this Indenture, represents [●]% of the total share capital of Aoyuan Healthy Life Group Company Limited (the “**Chairman’s Healthy Life Shares**”)

**SCHEDULE II**  
**OFFSHORE REAL ESTATE PROJECTS**

	<b>Project Name</b>	<b>Holding Entities</b>	<b>Project Location</b>
1	M2M Project	5799 Yonge Street LP 5799 Yonge Street Project Ltd. GP 2591260 Ontario Inc. 2738147 Ontario Inc. M2M Phase 2 LP M2M Phase 2 Project Ltd. GP	Canada
2	The Altron, Kwai Chung	Capital Benefit Limited	Hong Kong

### **SCHEDULE III**

#### **PROJECT HOLDINGS**

Equity interest in Impact Global Holdings (Cayman) Company Limited held by or on behalf of Glorious Beauty Holdings Limited, which, as of the date of this Indenture, represents [10]% of the total share capital of Impact Global Holdings (Cayman) Company Limited

Equity interest in Helio Health Inc. held by or on behalf of Add Hero Holdings Limited, which, as of the date of this Indenture, consists of approximately [1.7 million] of the Series B preferred shares of Helio Health Inc.

Equity interest in GBA Cultural Residence Holdings Limited held by or on behalf of Delight Scene International Limited, which, as of the date of this Indenture, represents [38]% of the total share capital of GBA Cultural Residence Holdings Limited

Equity interest in 广州市番禺金业房地产开发有限公司 held by or on behalf of Add Power Investments Limited, which, as of the date of this Indenture, represents [98]% of the total share capital of 广州市番禺金业房地产开发有限公司

Equity interest in 广州市番禺金业园房地产开发有限公司 held by or on behalf of Add Gain Investments Limited, which, as of the date of this Indenture, represents [98]% of the total share capital of 广州市番禺金业园房地产开发有限公司

Equity interest in 广州奥园海景城房地产开发有限公司 held by or on behalf of Add Power Investments Limited, which, as of the date of this Indenture, represents [98]% of the total share capital of 广州奥园海景城房地产开发有限公司

Equity interest in 重庆创冠房地产开发有限公司 held by or on behalf of Speed Winner Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 重庆创冠房地产开发有限公司

Equity interest in 重庆时尚置业有限公司 held by or on behalf of Top Plan (HK) Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 重庆时尚置业有限公司

Equity interest in 中山市中山广场开发建设有限公司 held by or on behalf of Magic Falcon Development Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 中山市中山广场开发建设有限公司

Equity interest in 重庆港奥置业有限公司 held by or on behalf of Sino Trend Investment Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 重庆港奥置业有限公司

Equity interest in 重庆粤奥置业有限公司 held by or on behalf of Sino Trend Investment Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 重庆粤奥置业有限公司

Equity interest in 重庆奥誉置业有限公司 held by or on behalf of Up Wealth Investment Limited, which, as of the date of this Indenture, represents [87.5]% of the total share capital of 重庆奥誉置业有限公司

Equity interest in 嘉兴奥园置业有限公司 held by or on behalf of Channel Time International Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 嘉兴奥园置业有限公司

Equity interest in 广州奥誉房地产开发有限公司 held by or on behalf of East Harvest Investment Limited, which, as of the date of this Indenture, represents [52.9]% of the total share capital of 广州奥誉房地产开发有限公司

Equity interest in 玉林奥园房地产开发有限公司 held by or on behalf of Olympic City Investments and Development Limited, which, as of the date of this Indenture, represents [90]% of the total share capital of 玉林奥园房地产开发有限公司

Equity interest in 玉林奥园康城房地产开发有限公司 held by or on behalf of Olympic Village Investments and Development Limited, which, as of the date of this Indenture, represents [90]% of the total share capital of 玉林奥园康城房地产开发有限公司

Equity interest in 佑林泛太（昆山）置业有限公司 held by or on behalf of Fully Rise Development Limited and Winwick Development Limited, which, as of the date of this Indenture, in aggregate represents [100]% of the total share capital of 佑林泛太（昆山）置业有限公司

Equity interest in 佑林（昆山）置业有限公司 held by or on behalf of Million Wealthy Development Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 佑林（昆山）置业有限公司

Equity interest in 重庆锦奥置业有限公司 held by or on behalf of Up Wealth Investment Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 重庆锦奥置业有限公司

Equity interest in 扬州奥园投资有限公司 held by or on behalf of Sino Galaxy Development Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 扬州奥园投资有限公司

Equity interest in 苏州奥韵置业有限公司 held by or on behalf of East Global Enterprises Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of 苏州奥韵置业有限公司

Equity interest in 5799 Yonge Street LP held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of 5799 Yonge Street LP

Equity interest in 5799 Yonge Street Project Ltd. GP held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of 5799 Yonge Street Project Ltd. GP

Equity interest in 2591260 Ontario Inc. held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of 2591260 Ontario Inc.

Equity interest in 2738147 Ontario Inc. held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of 2738147 Ontario Inc.

Equity interest in M2M Phase 2 LP held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of M2M Phase 2 LP

Equity interest in M2M Phase 2 Project Ltd. GP held by or on behalf of Ontario Aoyuan Property Limited, which, as of the date of this Indenture, represents [100]% of the total equity interest of M2M Phase 2 Project Ltd. GP

Equity interest in Capital Benefit Limited held by or on behalf of Finest Gold Global Limited, which, as of the date of this Indenture, represents [100]% of the total share capital of Capital Benefit Limited

**SCHEDULE IV**  
**WFOE INVESTMENT PROPERTIES**

	<b>Holding Entity Name</b>	<b>Project Name</b>
1	奥园集团有限公司	幼儿园
2	广州市番禺金业房地产开发有限公司	番奥奥园
3	广州市番禺金业园房地产开发有限公司	广州奥林匹克花园
4	广州番禺奥林匹克房地产开发有限公司	南国奥园
5	广州奥园海景城房地产开发有限公司	南沙海景城
6	佛冈同力盛投资发展有限公司	佛冈奥园
7	重庆时尚置业有限公司	渝中名郡
8	沈阳奥园新城置业有限公司	沈阳奥园国际城
9	广州奥园康城投资有限公司	养生广场
10	重庆港奥置业有限公司	重庆奥园国际城
11	奥园集团（广州）有限公司	广州城市天地
12	广州康威集团有限公司	新塘奥园城市天地
13	阳江市润信置业有限公司	阳江奥园公园一号
14	广州萝奥房地产开发有限公司	萝岗奥园广场
15	奥园集团重庆置业有限公司	重庆奥园城市天地
16	重庆奥誉置业有限公司	重庆越时代
17	蕉岭奥园广场有限公司	蕉岭奥园广场
18	五华奥园广场有限公司	五华奥园广场
19	重庆锦奥置业有限公司	重庆奥园盘龙壹号
20	成都宜华置业有限公司	成都成华奥园广场
21	广州市万贝投资管理有限公司	广州万博中心（写字楼、喜来登酒店）
22	广州奥誉房地产开发有限公司	番禺奥园广场
23	奥园集团（英德）有限公司	奥园英德巧克力王国
24	广州奥园资产经营管理有限公司（物 业）	奥园大厦
25	安徽瀚德房地产开发有限公司	蚌埠奥园银座
26	浏阳奥园广场房地产开发有限公司	浏阳奥园广场



	<b>Holding Entity Name</b>	<b>Project Name</b>
27	宁都奥园广场房地产开发有限公司	宁都奥园广场
28	玉林奥园置业有限公司	玉林奥园广场
29	珠海来利科技有限公司	珠海奥园观山海
30	扬州奥园置业有限公司	扬州奥园观湖尚居
31	北京市溪水花园物业管理有限公司	北京奥园二环广场
32	浦北奥园广场有限公司	浦北奥园广场
33	威宁奥园房地产开发有限公司	威宁奥园广场
34	大埔奥园广场有限公司	大埔奥园广场
35	重庆新红阳实业有限公司	重庆奥园公园壹号
36	祁东奥园置业有限公司	祁东奥园广场
37	砀山县七彩世界房地产开发有限公司	安徽砀山奥园广场
38	大余奥园置业有限公司	大余奥园广场
39	上海奥园旅游发展有限公司	上海雅园
40	合肥七彩世界置业有限公司	合肥奥园城市天地
41	成都新西南房地产有限公司	成都奥园玖俚湾
42	武汉工建金奥房地产开发有限公司	武汉滨江国际
43	瑞昌奥园置业有限公司	瑞昌奥园广场
44	上海奥慧妍健康科技有限公司	奥园东方美谷南地块
45	广州南沙国奥房地产开发有限公司	南沙国奥
46	京汉置业集团有限责任公司安新分公司	雄安酒店
47	北京合力精创科技有限公司	北京合力精创
48	京汉置业集团有限责任公司	第二水泥管厂经济适用房项目
49	北京金汉房地产开发有限公司	金汉·绿港家园

**APPENDIX 12**  
**FORM OF AOYUAN MCB TRUST DEED**  
**[See over page]**

Dated [●] 2023

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

as Company

and

**MADISON PACIFIC TRUST LIMITED**

as Trustee

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**TRUST DEED**

relating to

Zero Coupon Mandatory Convertible Bonds due 2028

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**This Trust Deed** is made on [●] 2023 between:

- (1) **CHINA AOYUAN GROUP LIMITED** 中國奧園集團股份有限公司 (the “**Company**”), a company incorporated in the Cayman Islands with limited liability whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands; and
- (2) **MADISON PACIFIC TRUST LIMITED** (the “**Trustee**”, which expression, where the context so admits, includes any successor or other trustee for the time being of this Trust Deed).

**Whereas:**

- (A) The Company has (pursuant to a resolution of the board of directors of the Company passed on [●] 2023) authorised the issue of U.S.\$[●] in aggregate principal amount of zero coupon mandatory convertible bonds due 2028 (the “**Bonds**”, which expression shall, where the context so admits, include the Global Certificates (as defined below) representing the Bonds). The Bonds will be convertible into fully-paid ordinary shares of par value HK\$0.01 each in the share capital of the Company or shares of any class or classes resulting from any subdivision, consolidation or re-classification of such ordinary shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company (the “**Shares**”) subject to the terms and conditions of the Bonds.
- (B) The Trustee has agreed to act as trustee of this Trust Deed on the following terms and conditions.

**This Deed witnesses and it is declared** as follows:

## **1 Interpretation**

### **1.1 Definitions:** The following expressions have the following meanings:

“**Agency Agreement**” means the paying, conversion and transfer agency agreement dated [●] 2023 referred to as such in the Conditions, and includes any other agreements approved in writing by the Trustee appointing Successor Agents or amending, varying, novating or supplementing any such agreements;

“**Agents**” means the Principal Paying Agent, the Principal Conversion and Transfer Agent, the Registrar, the Transfer Agent, the Calculation Agent, and the other paying agents, conversion agents and transfer agents, their Successors or any of them and shall include such other agent or agents as may be appointed from time to time under the Agency Agreement or the Calculation Agency Agreement (as the case maybe), and references to Agents are to them acting solely through their specified offices;

“**Appointee**” has the meaning given to it in Clause 11.19;

“**Authorised Signatory**” means, in relation to the Company, any Director or any other officer of the Company who has been authorised by the Company to sign the certificates and other documents required as contemplated under this Trust Deed, the Agency Agreement or any other transaction document on behalf of, and so as to bind, the Company and which the Company has notified in writing to the Trustee and the Agents as provided in Clause [17.15] of the Agency Agreement;

“**Authority**” means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction;

**“Bondholder”**, **“holder of the Bonds”** or, in respect of a Bond, **“holder”** means a person in whose name a Bond is registered in the register of holders of the Bonds (or, in the case of joint holders, the first named thereof);

**“business day”** means a day (other than a Saturday, Sunday or public holiday) upon which commercial banks are generally open for business and settlement of Hong Kong dollar and U.S. dollar payments in Hong Kong and New York;

**“Calculation Agency Agreement”** means the calculation agency agreement dated [●] 2023 referred to as such in the Conditions, and includes any other agreements approved in writing by the Trustee appointing Successor Agents or amending, varying, novating or supplementing any such agreements;

**“Calculation Agent”** means Conv-Ex Advisors Limited;

**“Certificate”** means a certificate representing one or more Bonds and, save as provided in the Conditions, comprising the entire holding by a Bondholder of his Bonds and, save in the case of the Global Certificates, being substantially in the form set out in Part B of Schedule 1 and includes any replacement Certificates issued pursuant to the Conditions;

**“Clearstream”** means Clearstream Banking S.A.;

**“Common Depositary”** means, in relation to the Bonds, a depositary common to Euroclear and Clearstream;

**“Conditions”** means the terms and conditions applicable to the Bonds which shall be substantially in the form set out in Schedule 2, as modified, with respect to any Bonds represented by a Global Certificate, by the provisions of such Global Certificate and shall be endorsed on the relevant Certificate and any reference to a particularly numbered Condition shall be construed accordingly;

**“CSRC”** means the China Securities Regulatory Commission of the PRC or its local counterparts;

**“Employee Share Scheme”** means any of the Company’s employees’ share option or share award scheme or plan that is in compliance with the listing rules of the Hong Kong Stock Exchange or, if applicable, the listing rules of an Alternative Stock Exchange;

**“Euroclear”** means Euroclear Bank SA/NV;

**“Global Certificates”** means, individually and collectively, the Regulation S Global Certificate, the Rule 144A Global Certificate and the IAI Global Certificate;

**“Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China;

**“Hong Kong Stock Exchange”** means The Stock Exchange of Hong Kong Limited;

**“IAI Global Certificate”** means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 hereto, issued on the Issue Date to Accredited Investors (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D) within the United States;

**“Issue Date”** means [●] 2023;

**“Listing Rules”** means the Rules Governing the Listing of Securities on the Hong Kong Stock

Exchange;

“**NDRC**” means the National Development and Reform Commission of the PRC or its local counterparts;

“**non-assessable**”, in relation to securities, including the Shares, means that, when issued, those securities are not subject to any further calls by the Company for, or any other provisions which could require, further payments or contributions from their holders;

“**Officer**” means one of the executive officers of the Company;

“**Officers’ Certificate**” means a certificate in English signed by two Officers;

“**Opinion of Counsel**” means a written opinion, in form and substance acceptable to the Trustee, from legal counsel who is reasonably acceptable to the Trustee. For the avoidance of doubt, such legal counsel may be an employee or counsel to the Company.

“**outstanding**” means, in relation to the Bonds, all the Bonds issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption monies have been duly paid to the Trustee or to the Principal Paying Agent as provided in Clause 2 and remain available for payment in accordance with the Conditions, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) those in respect of which the Voluntary Conversion Right has been duly exercised and discharged (and, for the avoidance of doubt, a Bond in respect of which a Voluntary Conversion Date has occurred shall be deemed to remain outstanding until the Voluntary Conversion Right has been satisfied and discharged even if the holder is removed from the register of Bondholders during the conversion process), (f) those which have been duly converted and in respect of which Shares have been delivered to the relevant Bondholders in accordance with the Conditions, and (g) the Bonds represented by any Global Certificate to the extent that it shall have been exchanged for another Global Certificate in respect of the Bonds or for the Certificates in definitive form pursuant to its provisions; and provided that for the purposes of (1) determination of whether the Bondholders or Beneficial Holders of the requisite amount of outstanding Bonds have given any request, demand, authorisation, direction, notice, consent or waiver under the Conditions and this Trust Deed, (2) the determination of how many Bonds are outstanding for the purposes of Conditions 10, 12, 13 and Clause 14, and (3) the exercise of any discretion, power or authority whether contained in this Trust Deed or provided by law, which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders or Beneficial Holders, those Bonds which are beneficially held by or on behalf of the Company or its Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof;

“**PRC**” means the People’s Republic of China and, for the purposes of this Trust Deed, except where the context requires, does not include Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan;

“**Principal Conversion and Transfer Agent**” means the institution named as such in the Conditions acting through its specified office, or any Successor Principal Paying Agent;

“**Principal Paying Agent**” means the institution named as such in the Conditions acting through its specified office, or any Successor Principal Paying Agent;

**“record date”** means a date fixed in accordance with the articles of association of the Company or otherwise specified by the Company for the purpose of determining entitlements to dividends or other distributions to, or rights of, holders of Shares;

**“Registrar”** means the institution named as such in the Conditions acting through its specified office, or any Successor Registrar;

**“Regulation D”** means Regulation D under the Securities Act;

**“Regulation S”** means Regulation S under the Securities Act;

**“Regulation S Global Certificate”** means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 hereto, issued on the Issue Date to investors who are non-U.S. persons and outside the United States in reliance on Regulation S;

**“Rule 144A Global Certificate”** means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 hereto, issued to Qualified Institutional Buyers (as defined in Rule 144A of the Securities Act) within the United States;

**“Securities Act”** means the United States Securities Act of 1933, as amended;

**“SGX-ST”** means the Singapore Exchange Securities Trading Limited;

**“Shareholder”** means the person in whose name a Share is registered in the Company’s register of shareholders;

**“specified office”** means, in relation to an Agent, the office identified with its name at the end of the Conditions or any other office notified to the Trustee pursuant to Clause 18.4 of the Agency Agreement and the Bondholders pursuant to Clause 8.5;

**“Successor”** means in relation to the Agents, such other or further person as may from time to time be appointed pursuant to the Agency Agreement as an Agent and notice of whose appointment is given to Bondholders pursuant to Condition 16 (*Notices*) and the Trustee;

**“Tax”** means any present or future taxes, duties, assessments, withholding, deductions or governmental charges of whatever nature imposed, and any related liabilities, levied, collected, withheld, deducted or assessed by or on behalf of any Authority having power to tax;

**“this Trust Deed”** means this Trust Deed (as from time to time amended, varied, novated and/or supplemented in accordance with this Trust Deed) and any other document executed in accordance with this Trust Deed (as from time to time so amended, varied, novated and/or supplemented) and expressed to be supplemental to this Trust Deed;

**“Transfer Agents”** means the Transfer Agents appointed under the Agency Agreement, or any Successor Transfer Agent;

**“Treasury Regulations”** means tax regulations as issued by the United States Internal Revenue Service (IRS) from time to time;

**“trust corporation”** means a trust corporation (as defined in the Trustee Ordinance) or a corporation entitled to act as a trustee pursuant to applicable law relating to trustees; and

**“Trustee Ordinance”** means the Trustee Ordinance of the Laws of Hong Kong (Chapter 29 of the Laws of Hong Kong).

## 1.2 Construction of Certain References: References to:



- 1.2.1 costs, charges, remuneration, indemnity payments or expenses include any withholding, value added, turnover or similar tax charged in respect thereof;
  - 1.2.2 “Hong Kong dollars” and “HK\$” are to the lawful currency for the time being of Hong Kong;
  - 1.2.3 “U.S. dollars” and “U.S.\$” are to the lawful currency for the time being of the United States of America; and
  - 1.2.4 an action, remedy or method of judicial proceedings for the enforcement of creditors’ rights includes references to the action, remedy or method of judicial proceedings in jurisdictions other than Hong Kong as shall most nearly approximate thereto.
- 1.3 **Headings:** Headings shall be ignored in construing this Trust Deed.
- 1.4 **Schedules:** The Schedules are part of this Trust Deed and have effect accordingly.
- 1.5 **Clauses:** References in this Trust Deed to Clauses are to clauses in this Trust Deed unless otherwise stated.
- 1.6 **Alternative Clearing System:** References in this Trust Deed to Euroclear and Clearstream shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system (an “**Alternative Clearing System**”) selected by the Company and notified in writing to the Trustee and the Principal Paying Agent and, as applicable, the Registrar.
- 1.7 **The Conditions:** In this Trust Deed, unless the context requires or the same are otherwise defined, words and expressions defined in the Conditions and not otherwise defined herein shall have the same meaning in this Trust Deed.
- 1.8 **Amended Documents:** Save where the contrary is indicated, any reference in this Trust Deed to this Trust Deed or any other agreement or document shall be construed as a reference to this Trust Deed or such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented.
- 2 **Amount of the Bonds and Covenant to Pay or Deliver**
- 2.1 **Amount of the Bonds:** The aggregate principal amount of the Bonds is limited to U.S.\$[●].
- 2.2 **Covenant to Pay:** The Company will on any date when any Bonds become due to be redeemed unconditionally pay to or to the order of the Trustee in immediately available funds the principal amount of the Bonds becoming due for redemption on that date provided that:
- 2.2.1 payment of any sum due in respect of the Bonds made to the Principal Paying Agent as provided in the Agency Agreement shall, to that extent, satisfy such obligation except to the extent that there is failure in its subsequent payment to the relevant Bondholders under the Conditions; and
  - 2.2.2 a payment made after the due date will be deemed to have been made when the full amount due has been received by the Principal Paying Agent or the Trustee and notice to that effect has been given to the Bondholders (if required under Clause 9.4), except to the extent that there is failure in its subsequent payment to the relevant Bondholders under the Conditions.

The Trustee will hold the benefit of this covenant on trust for itself and the Bondholders.

- 2.3 Discharge:** Any payment to be made or any delivery in respect of the Bonds by the Company or the Trustee may be made as provided in the Conditions and any payment so made or any such delivery will to that extent be a good and complete discharge to the Company or the Trustee, as the case may be.
- 2.4 Payment after a Winding-Up:** At any time after a Winding-Up has occurred and is continuing the Trustee may:
- 2.4.1** by notice in writing to the Company and the Agents, require the Agents, until notified by the Trustee to the contrary, so far as permitted by applicable law:
- (i) to act as agents of the Trustee under this Trust Deed and the Bonds on the terms of the Agency Agreement (with consequential amendments as necessary and except that the Trustee's liability for the indemnification, remuneration and expenses of the Agents will be limited to the amounts for the time being held by the Trustee in respect of the Bonds on the terms of this Trust Deed) and thereafter to hold all Certificates and all monies, documents and records held by them in respect of Bonds (including any Shares to be delivered on conversion or settlement of the Bonds) to the order of the Trustee; or
  - (ii) to deliver all Certificates and all monies, documents and records held by them in respect of the Bonds (including any Shares to be delivered on conversion or settlement of the Bonds) to the Trustee or as the Trustee directs in such notice or subsequently, provided that this Clause 2.4.1(ii) shall not apply to any documents or records which the relevant Agent is obliged not to release by any law or regulation to which it is subject; and
- 2.4.2** by notice in writing to the Company, require it to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and not to the Principal Paying Agent with effect from the issue of any such notice to the Company; and from then until such notice is withdrawn, sub-clause 2.2.1 above shall cease to have effect.

### **3 Form of the Bonds**

- 3.1 The Global Certificates:** Bonds offered and sold outside the United States in reliance on Regulation S shall be represented initially by the Regulation S Global Certificate in registered form in the principal amount of U.S.\$[●]; and Bonds offered and sold within the United States to Accredited Investors (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D) in reliance on Rule 506 of Regulation D shall be represented initially by the IAI Global Certificate in registered form in the principal amount of U.S.\$[●]. Each Global Certificate will be deposited with the Common Depositary and registered in the name of a nominee of the Common Depositary. Each Global Certificate will be exchangeable for individual definitive Certificates only as set out in the relevant Global Certificate and by written application to the Registrar substantially in the form of Part D of Schedule 1 and upon surrender of the Bonds to be exchanged to the Registrar.
- 3.2 Form of Certificates:** The Certificates, if issued, will be substantially in the form set out in Part B of Schedule 1 and endorsed with the Conditions.
- 3.3 Signature:** The Certificates shall be signed manually or in facsimile by an Authorised Signatory of the Company duly authorised for the purpose and authenticated manually by or on behalf of the Registrar. The Company may use a facsimile signature of a person who at the date of this Trust Deed is such an Authorised Signatory even if at the time of issue of any Bonds he no longer holds that office. Bonds represented by Certificates (including the Global Certificates) so executed and authenticated will be binding and valid obligations of the

Company.

- 3.4 Entitlement to treat holder as owner:** The holder of any Bond will (except as ordered by a court of competent jurisdiction or save as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on or the theft, destruction or loss of the Certificate issued in respect of it) and no person will be liable for so treating such holder, and neither the Trustee nor any Agent shall be affected by any notice to the contrary.

#### **4 Stamp Duties and Taxes**

- 4.1 Stamp Duties:** The Company, so long as the Bonds remain outstanding, will pay any stamp, issue, registration, documentary, transfer or other Taxes, including interest and penalties, payable in the Cayman Islands, Hong Kong, the PRC and any other relevant jurisdiction in respect of the creation, issue, and initial offering or sale of the Bonds and the execution or delivery, performance or enforcement of this Trust Deed, the Agency Agreement and/or the Bonds, as the case may be. The Trustee shall not be liable to pay any such Taxes in any jurisdiction and shall not be concerned with, or obligated or required to enquire into, the sufficiency of any amount paid by the Company or any Bondholder for this purpose and shall not be liable for any losses or liabilities as a result of any non-payment by the Company or any Bondholder. The Company will also indemnify the Trustee and the Bondholders from and against all stamp, issue, registration, documentary, transfer or other Taxes paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Bondholders (where in the case of the Bondholders, permitted under this Trust Deed so to do) to enforce the Company's obligations under this Trust Deed, the Agency Agreement or the Bonds. The parties hereto acknowledge that the foregoing indemnities shall survive the resignation or removal of the Trustee or the termination of this Trust Deed.
- 4.2 Change of Taxing Jurisdiction:** If the Company becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to Cayman Islands, Hong Kong, the PRC, or any such authority of or in such territory then the Company will notify the Trustee as soon as practicable after it becomes aware and give the Trustee an undertaking in terms corresponding to the terms of Condition 9 (*Taxation*) with the substitution for, or (as the case may require) the addition to, the references in that Condition to Cayman Islands, Hong Kong, the PRC of references to that other or additional territory or authority to whose taxing jurisdiction the Company has become so subject. In such event this Trust Deed and the Bonds will be read accordingly.

#### **5 Covenants relating to Conversion**

- 5.1** As provided for and in accordance with the Conditions, each Bond will have a Voluntary Conversion Right that will entitle (i) the Bondholder, other than the Strategic Investor, during the relevant Voluntary Conversion Period, and (ii) the Strategic Investor, during the relevant Strategic Investor Conversion Period, to convert such Bond for Shares. Performance by the Company of its obligations following an exercise of the Voluntary Conversion Right with respect to a Bond (including delivery of Shares) shall satisfy and constitute a discharge of the Company's obligations in respect of such Bond. In addition, subject as provided in the Conditions and provided that the Voluntary Conversion Right has not been exercised on or before the Voluntary Conversion Period End Date, all Bonds outstanding on the business day immediately following the Voluntary Conversion Period End Date shall be automatically and mandatorily converted into Shares on the Maturity Date. So long as any Bond remains outstanding, save with the consent of Bondholders holding in the aggregate at least 75 per cent. of the outstanding principal amount of the Bonds at such time, the Company will:

- 5.1.1 Availability of Shares:** reserve, free from any other pre-emptive or other similar rights

and free from any encumbrances, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of Bonds will be duly and validly issued as fully-paid;

- 5.1.2 Par Value:** not make any offer, issue, grant or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares, provided always that the Company shall not be prohibited from purchasing its Shares to the extent permitted by law;
- 5.1.3 Limited Issues of Shares:** not issue or pay up any securities, in either case by way of capitalisation of profits or reserves unless, in any such case, it gives rise (or would, if the adjustment would be one per cent. or more of the Conversion Price then in effect, give rise) to an adjustment of the Conversion Price, provided that the Company may issue or pay up any security by way of capitalisation of profits or reserves (i) by the issue of fully-paid Shares to the Shareholders and other persons entitled to them, (ii) by the issue of Shares paid up in full out of profits or reserves in accordance with applicable law and issued in lieu of a cash dividend or (iii) by the issue of fully-paid equity share capital (other than Shares) to the holders of equity share capital of the same class and other persons entitled thereto, subject in each case to the provisions of the Condition. For the avoidance of doubt, nothing in this Clause 5.1.3 shall prevent the issue of any equity share capital by the Company in accordance with any Employee Share Scheme or any equity share capital (including Shares) pursuant to the conversion provisions of the Bonds as set out in Condition 6 (*Conversion*);
- 5.1.4 Limited Modification of Rights:** not modify the rights attaching to the Shares with respect to voting, dividends or liquidation nor issue any other class of ordinary share capital carrying any rights which are more favourable than the rights attaching to Shares but so that nothing in this Clause 5.1.4 shall prevent (i) the issue of equity share capital pursuant to any Employee Share Scheme or any equity share capital (including Shares) pursuant to the conversion provisions of the Bonds as set out in Condition 6 (*Conversion*); (ii) a consolidation or subdivision of the Shares or the conversion of any Shares into stock or vice versa; (iii) a modification to the rights attaching to the Shares which is not, in the opinion of an Independent Financial Advisor, materially prejudicial to the interests of the Bondholders; (iv) the conversion of Shares into, or the issue of any Shares in, uncertificated form (or the conversion of Shares in uncertificated form to certificated form) or the amendment of the articles of association of the Company to enable title to securities of the Company (including Shares) to be evidenced and transferred without a written instrument or any other alteration to the articles of association of the Company made in connection with the matters described in this Clause 5.1.4 or which are supplemental or incidental to any of the foregoing (including amendments made to enable or facilitate procedures relating to such matters and amendments dealing with the rights and obligations of holders of securities (including Shares) dealt with under such procedures) or (v) any issue of equity share capital which results (or would, if the adjustment would be one per cent. or more of the Conversion Price then in effect, otherwise result) in an adjustment of the Conversion Price;
- 5.1.5 Limited Grant of Rights:** procure that no securities (whether issued by the Company or any of its Subsidiaries) issued without rights to convert into or exchange or subscribe for Shares shall subsequently be granted such rights at a consideration per Share which is less than 95 per cent. of the Current Market Price per Share on the date of the announcement of the proposed inclusion of such rights unless the same gives rise (or would, if the adjustment would be one per cent. or more of the Conversion Price then in effect, give rise) to an adjustment of the Conversion Price and that at no time shall there be in issue Shares of differing par values. For the avoidance of doubt, nothing in

this Clause 5.1.5 shall prevent the issue of any equity share capital by the Company pursuant to any Employee Share Scheme or any equity share capital (including Shares) pursuant to the conversion provisions of the Bonds as set out in Condition 6 (*Conversion*); and

#### 5.1.6

**5.1.7 Closing of Register of Shareholders:** unless so required by applicable law or regulation or the articles of the Company or the Listing Rules or in order to establish a dividend or other rights attaching to the Shares or entitlements of the Shareholders, not close its register of Shareholders or take any other action which prevents the transfer of its Shares generally, nor take any action which prevents the conversion of the Bonds or the issue of Shares in respect of them otherwise than in accordance with the Conditions.

**5.2** So long as any Bond remains outstanding, save with the consent of Bondholders holding in the aggregate at least 75 per cent. of the outstanding principal amount of the Bonds at such time, the Company will:

**5.2.1 Listing of Shares:** use its best endeavours to (a) maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, and (b) obtain and maintain a listing for all the Shares issued pursuant to a Voluntary Conversion or a Mandatory Conversion on the Hong Kong Stock Exchange, and in each case of (a) and (b), if the Company is unable to obtain or maintain such listing or such listing is unduly onerous, to use its best endeavours to obtain and maintain a listing for all the issued Shares on an Alternative Stock Exchange as from time to time selected by the Company and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) and the Trustee of the listing or delisting of the Shares (as a class) by any such stock exchange;

**5.2.2 Listing of Bonds:** use its best endeavours to maintain the listing of the Bonds on the SGX-ST and if the Company is unable to maintain such listing or such listing is unduly onerous, to use all reasonable endeavours to obtain and maintain a listing on another internationally recognised stock exchange as from time to time selected by the Company and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) of the listing or delisting of the Bonds by any such stock exchange;

**5.2.3 Expenses:** pay the expenses of the issue of, and all expenses of obtaining the listing for, Shares arising on conversion of the Bonds (except for any expenses, charges or taxes expressed to be payable by the Bondholder in Condition 6(B)(vi) (*Stamp Duty etc.*)); and

**5.2.4 No Reduction of Issued Share Capital:** not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account, except where the reduction is permitted by applicable law and results in (or would, but for the provision of Condition 6(C) (*Adjustments to Conversion Price*) relating to rounding or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made provided always that the Company shall not be prohibited from purchasing its Shares to the extent permitted by law.

For the purposes of this Clause 5, “**equity share capital**” means the share capital of a company excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution.

## **6 Notices Relating to Conversion**

### **6.1 Requirement to give notice:** If after the date of this Trust Deed:

- 6.1.1** the Company authorises the grant, issue or offer to the holders of Shares of options, rights or warrants to subscribe for or purchase either any Shares or any securities convertible into, or exchangeable for or which confer rights to purchase Shares which may, upon grant, issue or offer, give rise to an adjustment to the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*);
- 6.1.2** the Company declares, or pays or makes a Capital Distribution, or authorises the grant, issue or offer to all or substantially all the holders of Shares as a class of rights or warrants to subscribe for or purchase any securities other than Shares or any securities convertible into or exchangeable for or which confer rights to purchase Shares or securities other than Shares which may, upon declaration or payment, or when made, or upon grant, issue or offer, give rise to an adjustment to the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*);
- 6.1.3** there is a re-classification of the Shares (including a sub-division or consolidation of the Company's outstanding Shares) or a consolidation, merger or amalgamation to which the Company is a party or any sale or transfer of all or substantially all of the assets or business of the Company which may, upon such an event, give rise to an adjustment to the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*);
- 6.1.4** except as referred to in Clause 6.1.1 or Clause 6.1.2, the Company authorises the issue of any securities convertible into or exchangeable for Shares or any share or securities other than Shares or rights or warrants to subscribe for or purchase Shares or any share or securities other than Shares which may, or authorises the issue of any Shares which may, (or, if in any such case a relevant consideration or offering price fixed by the board of directors of the Company to be recommended at a relevant general meeting of Shareholders is adopted, may) upon issue give rise to an adjustment to the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*); or
- 6.1.5** there is a voluntary or involuntary dissolution, liquidation or winding-up of the Company,

the Company shall as soon as practicable thereafter give written notice thereof to the Trustee, the Conversion Agent and the Calculation Agent and, in addition, it will (unless prevented by applicable law or regulation) at least five business days before the applicable (in the case of paragraph (a) below of this Clause 6.1) record date or (in the case of paragraph (b) below of this Clause 6.1) record date, date of submission, effective date or exchange date, whichever is earlier, or (in the case of paragraph (c) below of this Clause 6.1) date of submission, or (in the case of paragraph (d) below of this Clause 6.1) date of issue or (in the case of paragraph (e) below of this Clause 6.1) record date or effective date, whichever is earlier, give notice to the Bondholders in accordance with Condition 16 (*Notices*) stating, as the case may require:

- (a) the record date (if any) for such grant, issue or offer or Capital Distribution (in the event of such Capital Distribution not being submitted to a general meeting of Shareholders for approval);
- (b) the date (1) on which such re-classification, subdivision, re-designation or consolidation, merger, amalgamation, sale, transfer, dissolution, liquidation or winding-up is to be submitted to a general meeting of Shareholders of the Company for approval, and (2) which is the record date for the same (if applicable), and (3) on

which such re-classification, subdivision, re-designation or consolidation, merger, amalgamation, sale, transfer, dissolution, liquidation or winding-up is expected to become effective, and (4) as of which it is expected that holders of Shares will be entitled, if at all, to exchange their Shares for securities or other property deliverable upon such re-classification, subdivision, re-designation or consolidation, merger, amalgamation, sale, transfer, dissolution, liquidation or winding-up;

- (c) (in the event of the declaration of a Capital Distribution referred to in Clause 6.1.2 above, the payment of which must be submitted for approval to a general meeting of Shareholders before such Capital Distribution may be paid or made) the date of such submission;
- (d) (other than where (a) above applies) the date of such grant, issue or offer; or
- (e) (in the event of such re-classification, consolidation, re-designation, merger, amalgamation, sale, transfer, dissolution, liquidation or winding-up not being submitted to a general meeting of Shareholders of the Company for approval) (1) the record date for the same (if applicable), and (2) the date when the same becomes effective;

provided that if the exact date of any such submission referred to in paragraph (b) or (c) above of this Clause 6.1 is not known at the time of such notice to the Trustee, the Conversion Agent and the Calculation Agent, such notice shall indicate the approximate date thereof and the Company shall give a second notice to the Trustee, the Conversion Agent and the Calculation Agent as soon as practicable, specifying the exact date of submission, and provided further that if the record date referred to in paragraphs (a), (b) or (e) above of this Clause 6.1 or the effective date or exchange date referred to in paragraph (b) above of this Clause 6.1 or the date of issue or effective date referred to in paragraph (d) or (e) above of this Clause 6.1 is not known at the time of such first notice to the Trustee, the Conversion Agent and the Calculation Agent, the Company shall give a second notice (which shall be in writing) to the Trustee, the Conversion Agent and the Calculation Agent, at least five business days before such date, specifying such date. However, in the case of any issue referred to in Clause 6.1.4 above, the Company need not give any notice mentioned above before the date on which the relevant consideration per Share for such issue is fixed by the Company but in such case the Company shall promptly upon the fixing of such consideration give notice in accordance with this Clause 6.1.

**6.2 Where Adjustment to Conversion Price Required:** If the event referred to in any notice required pursuant to Clause 6.1 would result in an adjustment to the Conversion Price, such notice shall state the Conversion Price in effect at the time such notice is required to be given and the Conversion Price which will result after giving effect to such event or, if such adjusted Conversion Price is not then determinable, the fact that an adjustment in the Conversion Price may result. Without prejudice to Clause 5.1.4, if, after giving effect to the event covered by any such notice and to any adjustment in the Conversion Price, the Shares could not or might not (but for Clause 6.5), under applicable law then in effect, be legally issued on conversion of Bonds as fully-paid and non-assessable, such notice shall also state such fact and the extent to which, by reason of such provisions, effect will not be given to such adjustment.

**6.3 Notice of Adjustment:** If there shall be any change to the Conversion Price, the Company shall give notice to the Bondholders, the Trustee, the Conversion Agent and the Calculation Agent in accordance with Condition 16 (*Notices*). Any such notice shall set forth reasonable details of the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment. For the avoidance of doubt, nothing in this Clause 6.3 shall require the Company to disclose any information which it is not legally permissible to disclose.

**6.4 Notification of Closure of Register of Shareholders:** The Company shall give not less than 7 days' nor more than 60 days' notice after becoming aware of the same to the Trustee and the Conversion Agent in writing of any day during the Voluntary Conversion Period on which the Company's register of Shareholders is to be closed. Such notice shall give particulars of the reason for such closure, the expected date when the register will be re-opened and state whether the Company intends to give notice to Bondholders of the closure.

## **7 Adjustments to the Conversion Price**

**7.1 Adjustments to the Conversion Price:** The Conversion Price shall be subject to adjustment in certain events occurring after the issue of the Bonds as set out in Condition 6(C) (*Adjustments to Conversion Price*).

**7.2 Calculation of Consideration Receivable:** For the purpose of any calculation of the consideration receivable pursuant to Conditions 6(C)(vii) and 6(C)(viii):

**7.2.1 Issue of Shares for Cash:** the aggregate consideration receivable for Shares issued for cash shall be the amount of such cash provided that in no case shall any deduction be made for any commission or any expenses paid or incurred by the Company for any underwriting of the issue or otherwise in connection therewith;

**7.2.2 Issue of Shares on Conversion or Exercise of Securities:** (1) the aggregate consideration receivable for the Shares to be issued on the conversion or exchange of any securities shall be deemed to be the consideration received or receivable by the Company for any such securities and (2) the aggregate consideration receivable for the Shares to be issued on the exercise of rights of subscription attached to any securities shall be deemed to be that part (which may be the whole) of the consideration received or receivable by the Company for such securities which is attributed by the Company to such rights of subscription or, if no part of such consideration is so attributed the Fair Market Value of such rights of subscription as at the date of the announcement of the terms of issue of such securities as determined in good faith by an Independent Financial Advisor, plus in the case of each of (1) and (2) above of this Clause 7.2.2, the additional minimum consideration (if any) to be received by the Company on the conversion or exchange of such securities, or on the exercise of such rights of subscription (the consideration in all such cases to be determined subject to the proviso in Clause 7.2.1) and (3) the consideration per Share receivable by the Company on the conversion or exchange of, or on the exercise of such rights of subscription attached to, such securities shall be the aggregate consideration referred to in (1) or (2) above of this Clause 7.2.2 (as the case may be) converted into HK dollars if such consideration is expressed in a currency other than HK dollars at such rate of exchange as may be determined by an Independent Financial Advisor to be the spot rate ruling at the close of business on the date of announcement of the terms of issue of such securities, divided by the number of Shares to be issued on such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate.

**7.2.3 Rounding and Minor Adjustments:** on any adjustment, the resultant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price if such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made. Notice of any adjustments shall be given to Bondholders in



accordance with Condition 16 (*Notices*) and to the Trustee promptly after the determination thereof.

**7.2.4 More than One Event in Quick Succession:** where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Financial Advisor the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Financial Advisor to be in its opinion appropriate for that purpose to give such intended result; and

**7.2.5 No increase in Conversion Price:** no adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation or re-classification of the Shares as referred to in Condition 6(C)(i) (*Consolidation, Subdivision, Redesignation or Reclassification*).

**7.3 Determinations and Calculations:** The Trustee and the Conversion Agent are under no obligation to perform, monitor or verify the calculations required pursuant to the Conditions of or in relation to the Conversion Price or any adjustment thereto and shall be entitled to rely on (without further investigation or liability) all calculations, reports, opinions and determinations reached or made by the Company, the Calculation Agent and/or the Independent Financial Advisor. The Trustee and the Conversion Agent shall not be responsible or liable to the Bondholders or any other person for any loss arising from any such failure or reliance or for any delay of the Company, the Calculation Agent or the Independent Financial Advisor in making any calculation or determination or for the Company, the Calculation Agent or the Independent Financial Advisor making any erroneous calculation or determination.

**7.4 Post-Record Date Adjustments:** If the Registration Date in relation to any Voluntary Conversion or Mandatory Conversion would be after the date of the first public announcement of the terms of, or if a record date is fixed, the record date for, any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*), in circumstances where the relevant Conversion Date would fall before the relevant adjustment becomes effective, upon the relevant adjustment becoming effective the Company shall procure the issue to the person or persons designated for such purpose in (in respect of a Voluntary Conversion) the Voluntary Conversion Notice or (in respect of the Mandatory Conversion) the Mandatory Conversion Reply Form (in the case of Surrendered Bonds) or to the Relevant Person(s) (in the case of Unsurrendered Bonds) (subject to applicable exchange control or other laws or other regulations)), of such additional number of Shares as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant date of the first public announcement or, as the case may be, the relevant record date, subject to the Conditions.

**No Discount to Par Value:** The Conversion Price may not be reduced so that, on conversion of the Bonds, Shares would be issued at a discount to their par value or Shares would be required to be issued in any other circumstances not permitted by applicable law then in force in the Cayman Islands and Hong Kong.

**7.5 Independent Financial Advisor's Certificate Conclusive:** If any doubt shall arise as to the appropriate adjustment to the Conversion Price, following consultation between the Company, the Calculation Agent and an Independent Financial Advisor, a certificate or report of such Independent Financial Advisor (acting as an expert), selected by the Company at its expense, shall be conclusive and binding on all concerned save in the case of manifest error.

- 7.6 No Duty to Monitor:** The Trustee and the Conversion Agent shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or to make or verify any calculation in connection with the Conversion Price and will not be responsible to Bondholders or any other person for any loss arising from any failure by it to do so.

## **8 Application of Moneys Received by the Trustee**

- 8.1 Declaration of Trust:** All moneys received by the Trustee under this Trust Deed or by any Agent who is acting as agent of the Trustee where the moneys held by such Agent are immediately available funds and available for the making of payments under this Clause 8.1 at the direction of the Trustee, in respect of the Bonds under this Trust Deed will, despite any appropriation of all or part of them by the Company, be held by the Trustee on trust to apply them (subject to Clause 8.2):

- 8.1.1** first, in payment of all fees and liabilities and properly incurred costs, charges and expenses incurred by the Trustee and the Agents (including, without limitation, any indemnity payments to the Trustee and the Agents) in carrying out its functions and/or exercising its rights, powers and discretions under and in accordance with this Trust Deed, the Bonds, the Agency Agreement and/or the Calculation Agency Agreement (which for the avoidance of doubt includes the fees and properly incurred costs, charges and expenses of and all other amounts payable to any Appointee appointed hereunder);
- 8.1.2** secondly, in payment of any amounts owing in respect of the Bonds *pari passu* and rateably; and
- 8.1.3** thirdly, in payment of any balance to the Company for itself.

If the Trustee holds any moneys in respect of Bonds which have become void, the Trustee will hold them on these trusts.

- 8.2 Accumulation:** If the amount of the moneys at any time available for payment of principal and interest in respect of the Bonds under Clause 8.1 is less than 10 per cent. of the principal amount of the Bonds then outstanding, the Trustee may, at its sole and absolute discretion, place such moneys on deposit into a non-interest bearing account (and for the avoidance of doubt, the Trustee shall not be required to obtain best rates or exercise any other form of investment discretion with respect to such deposits, and it is acknowledged that any interest bearing account may result in negative interest rates applying) in the name or under the control of the Trustee at such bank or other financial institution and in such currency as the Trustee may think fit in light of the cash needs of the transactions relating to the Bonds and not for purposes of generating income. The Trustee may at its sole and absolute discretion (but shall not be obliged to) retain such moneys and accumulate the resulting income until the investments and the accumulations, together with any other funds for the time being under its control and available for such payment, amount to at least 10 per cent. of the principal amount of the Bonds then outstanding and then such investments, accumulations and funds (after deduction of, or provision for, any applicable taxes) will be applied as specified in Clause 8.1. If that bank or institution is the Trustee or a subsidiary, holding or associated company of the Trustee, it needs only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time vary or transpose any such deposits or convert any moneys so deposited into any other currency. The Trustee will not be responsible for any resulting loss, whether by depreciation in value, change in exchange rates, interest rates or otherwise and shall not be liable for obtaining a return thereon which is less than the return which may have been obtained if the relevant deposit was made in another form and/or with another institution. For the avoidance of doubt, the Trustee shall in no circumstances, have any discretion to invest any moneys referred to in this Clause 8 in eligible

investments or otherwise.

## **9 General Covenants**

So long as any Bond is outstanding, the Company will:

- 9.1 Information:** so far as permitted by applicable law, give the Trustee such information, opinions, certificates and evidence as it requires and in such form as it shall reasonably require or consider necessary (including without limitation the procurement by the Company of all such certificates called for by the Trustee pursuant to Clause 11.5) to perform its functions and obligations and/or exercise its rights, powers and discretions as Trustee under this Trust Deed, the Agency Agreement and the Bonds or any other document required or contemplated hereunder or thereunder or relating to the transactions herein or therein contemplated or by operation of law;
- 9.2 Notices to Bondholders:** send to the Trustee the form of each notice to be given to Bondholders in accordance with Condition 16 (*Notices*) and once given, two copies of each such notice;
- 9.3 Further Acts:** so far as permitted by applicable law, do all such further things as may be necessary in the opinion of the Trustee to give effect to this Trust Deed, the Agency Agreement, the Conditions, the Calculation Agency Agreement and/or the Bonds;
- 9.4 Notice of Late Payment:** forthwith give notice to the Bondholders, the Trustee and the Principal Paying Agent of any unconditional payment to the Principal Paying Agent or the Trustee of any sum due in respect of the Bonds made after the due date for such payment;
- 9.5 Change in Agents:** give at least 14 days' prior notice to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee of any future appointment, resignation or removal of an Agent or of any change by an Agent of its specified office, and not make any such appointment or removal without the Trustee's prior written approval. The Company shall at all times maintain the Agents as provided in Condition 17 (*Agents*);
- 9.6 Bonds Held by Company etc.:** send to the Trustee as soon as practicable (and in any event no later than 14 days) after being so requested in writing by the Trustee a certificate of the Company signed by an Authorised Signatory stating the number of Bonds which are beneficially held by or on behalf of the Company or its Subsidiaries at the date of such certificate;
- 9.7 Notification of Conversion:** notify or procure notification to the Trustee promptly when the Bonds have been duly converted and of the principal amount of the Bonds so converted;
- 9.8 Notification of Strategic Investor:** notify the Trustee in writing and the holders of the Bonds in accordance with Condition 16 (*Notices*) by not later than 14 days following the first day on which it identifies the Strategic Investor;
- 9.9 Notification of sale of Shares:** notify the relevant holders of the Unsurrendered Bonds and the Conversion Agent of the net proceeds of sale of the relevant Shares distributed to each such relevant Bondholder in accordance with Condition 16 (*Notices*);
- 9.10 Notification of Relevant Event:** notify the Trustee in writing and the holders of the Bonds in accordance with the Conditions by not later than 14 days following the first day on which it becomes aware of the occurrence of any Relevant Event;
- 9.11 Consents, Approvals and Authorisations:** obtain, comply with and do all that is necessary to maintain in full force and effect any consent, approval, authorisation, exemption, filing, licence,

order, recording or registration (i) to enable the Company to lawfully enter into, exercise its rights and perform and comply with its obligations under the Bonds, the Agency Agreement, the Calculation Agency Agreement and the Conditions and this Trust Deed as and when required, (ii) to ensure that such obligations are legally binding and enforceable and (iii) to make the Bonds and this Trust Deed admissible in evidence in the courts of Hong Kong;

**9.12 Compliance:** comply with and perform and observe all the provisions of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Bonds and the Conditions relating to any Bonds which are expressed to be binding on it; and

**9.13 CSRC notification:** within the prescribed time period, (i) file or cause to be filed with the CSRC the requisite information and documents in accordance with the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境内企业境外发行证券和上市管理试行办法) issued by the CSRC and effective as of 31 March 2023 (the “**CSRC Post-Issue Filing**”) and (ii) comply with all applicable PRC laws, rules and regulations in connection with the Bonds (including, but not limited to, any rules issued by the CSRC from time to time).

The Trustee may rely conclusively on any Officers’ Certificate signed by the Company in relation to the CSRC Post-Issue Filing and shall have no obligation to monitor or ensure the submission of the CSRC Post-Issue Filing within the prescribed time period, to assist with the CSRC Post-Issue Filing or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the CSRC Post-Issue Filing or any translation thereof or to give notice to the Bondholders in accordance with Condition 16 (Notices) confirming the completion of the submission of the CSRC Post-Issue Filing, and shall not be liable to Bondholders or any other person for not doing so.

## **10 Remuneration and Indemnification of the Trustee**

**10.1 Normal Remuneration:** So long as any Bond is outstanding, the Company will jointly and severally pay the Trustee as remuneration for its services as Trustee such sum on such dates in each case as they may from time to time agree in writing.

**10.2 Extra Remuneration:** If the Trustee finds it expedient or necessary or is requested by the Company to undertake duties which in the opinion of the Trustee is of an exceptional nature or otherwise outside the scope of the Trustee’s normal duties under this Trust Deed, the Agency Agreement, the Bonds and/or the Conditions the Company will pay such additional remuneration calculated by reference to the Trustee’s normal hourly rates in force from time to time.

**10.3 Expenses:** The Company pays on demand by the Trustee or discharge all liabilities and properly incurred costs, charges and expenses by the Trustee in the preparation and execution of this Trust Deed and the performance of its functions and the exercise of its rights, powers and/or directions under this Trust Deed, the Agency Agreement and the Bonds.

**10.4 Indemnity:** The Company hereby unconditionally and irrevocably covenants and undertakes, on demand by the Trustee, to indemnify and hold harmless the Trustee (including any predecessor trustee and their respective agents, employees, officers and directors), its directors, officers, employees and agents (each an “**indemnified party**”) in full at all times against all losses, liabilities, actions, proceedings, claims, demands, penalties, damages, costs, fees, expenses disbursements, and other liabilities whatsoever (“**Losses**”), including without limitation the properly incurred costs and expenses of legal advisers and other experts, which may be suffered or brought against or may be incurred by such indemnified party as a result of or in connection with (a) their appointment or involvement hereunder or the exercise of any of their powers or duties hereunder or under the Bonds or the taking of any acts in accordance

with the terms of this Trust Deed, the Agency Agreement, the Bonds or its usual practice; or (b) this Trust Deed, the Agency Agreement, the Bonds, and/or the Conditions and any other transaction documents relating to the transactions herein or therein contemplated, or (c) any instruction, certificate, communication, direction or other document upon which the Trustee may rely under this Trust Deed, the Agency Agreement, the Conditions, the Bonds and any other transaction documents relating to the transactions herein or therein contemplated as well as the properly incurred costs and expenses incurred by an indemnified party of defending itself against or investigating any claim or liability with respect of the foregoing, provided that this indemnity shall not apply in respect of an indemnified party to the extent that a court of competent jurisdiction determines that any such Losses incurred or suffered by or brought against such indemnified party arises from the fraud, wilful misconduct or gross negligence directly caused by such indemnified party. Any indemnified party may enforce the provisions of this Clause 10.4 in accordance with the Contracts (Rights of Third Parties) Act 1999.

- 10.5 Taxes:** The Company hereby further undertakes to the Trustee that all monies payable by it to the Trustee or any indemnified party under this Clause 10, Clauses 4.1 and 17 shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Trustee or such other indemnified party of such amounts as would have been received by the Trustee or such indemnified party under this Clause 10, Clauses 4.1 and 17 had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

**10.5.1** for or on account of:

- (a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:
  - (1) the existence of any present or former connection between the Bondholder or beneficial owner of such Bond and the relevant jurisdiction or the jurisdiction through which payments are made other than merely holding such Bond or the receipt of payments thereunder or the enforcement of or exercise of rights thereunder, including, without limitation, such Bondholder or beneficial owner being or having been a national, domiciliary or resident of such relevant jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein; or
  - (2) the presentation of such Bond (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of such Bond became due and payable pursuant to the Conditions or was made or duly provided for, except to the extent that the Bondholder thereof would have been entitled to such Additional Amounts if it had presented such Bond for payment on any date within such 30-day period; or
  - (3) the failure of the Bondholder or beneficial owner to comply with a timely request of the Company addressed to the Bondholder to provide information concerning such Bondholder’s or beneficial owner’s nationality, residence, identity or connection with any relevant jurisdiction or the jurisdiction through which payments are made, if and to the extent that due and timely

compliance with such request is required under the tax law of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Bondholder; or

(4) the presentation of such Bond (in cases in which presentation is required) for payment in the relevant jurisdiction or the jurisdiction through which payments are made, unless such Bond could not have been presented for payment elsewhere; or

(b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge; or

(c) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (“**FATCA**”), any current or future Treasury Regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement with respect thereto, or any other agreement pursuant to the implementation of FATCA; or

(d) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b) and (c); or

**10.5.2** to a Bondholder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a relevant jurisdiction or the jurisdiction through which payments are made, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Bondholder thereof.

**10.6 Interest:** All remuneration payable to the Trustee that is not paid on the due date thereof shall carry interest from such due date at the rate of two per cent. per annum over its cost of funds prevailing at the date of such payment until the date of payment of such remuneration in full.

**10.7 Continuing Effect:** Clause 10 will continue in full force and effect as regards the Trustee even if it no longer is Trustee, or the Bonds are no longer outstanding or this Trust Deed has been terminated.

## **11 Provisions Supplemental to the Trustee Ordinance, the Trustee Act 1925 and the Trustee Act 2000**

By way of supplement to the Trustee Ordinance, the Trustee Act 1925 and the Trustee Act 2000 and subject to Clause 12, it is expressly declared as follows:

**11.1 Advice:** The Trustee and each of its directors, officers, employees and duly appointed Appointees may (at the cost of the Company) engage and consult with any legal adviser, expert or other professional adviser (including any lawyer, valuer, accountant, surveyor, banker, broker, auctioneer, the auditors, investment bank or financial consultant) selected by it and may act in reliance on the opinion or advice of, or any report, confirmation, certificate or information obtained from, any such advisor and the Trustee and each of its directors, officers, employees and duly appointed Appointees will not be responsible to Bondholders, Beneficial Holders or

any other person for any loss occasioned by any action taken, or omitted to be done or suffered to be taken, in accordance with such opinion, advice, report, confirmation, certificate or information, whether such opinion, advice, report, confirmation, certificate or information is obtained by or addressed to the Company and the Trustee or any other person and notwithstanding any monetary or other limit on liability or limit on scope or basis in respect thereof. Any such opinion, advice, report, confirmation, certificate or information may be sent or obtained by letter, email, electronic communication or fax and the Trustee and each of its directors, officers, employees and duly appointed Appointees will not be liable to anyone for acting on any opinion, advice, report, confirmation, certificate or information purporting to be conveyed by such means even if it contains some error or is not authentic and whether or not liability in relation thereto is limited by reference to a monetary cap, methodology or otherwise. In the exercise of its duties, the Trustee shall not be responsible for the verification of the accuracy or completeness of any certification or legal opinion submitted to it by the Company or any legal adviser, expert or other professional adviser selected by it, provided it has exercised due and reasonable care in its selection of such legal adviser, expert or other professional adviser.

- 11.2 Trustee to Assume Performance:** The Trustee needs not notify anyone of the execution of this Trust Deed, the Agency Agreement or any other document referred to herein or therein.
- 11.3 No obligations to monitor:** The Trustee shall be under no obligation to monitor or supervise the functions of any other person under the Bonds, this Trust Deed, the Agency Agreement, the Calculation Agency Agreement or any other agreement or document relating to the transactions herein or therein contemplated, and shall be entitled, in the absence of actual knowledge or express notice in writing of a breach of obligation, to assume that each such person is properly and fully performing and complying with its obligations. The Trustee shall be under no obligation to monitor any performance (financial and otherwise) of the Company and the Trustee shall not be responsible to the holders of the Bonds or Beneficial Holders for any loss arising from any failure to do so.
- 11.4 Illegality/Expenditure of Trustee Funds:** Nothing in this Trust Deed, the Bonds, the Agency Agreement, the Calculation Agency Agreement or any other document referred to herein or therein shall require the Trustee to do anything which in its opinion may: (i) be illegal or contrary to applicable law, directive, regulation or fiscal requirement of any governmental agency or state; or (ii) cause it to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights, powers, authority or discretion hereunder or pursuant to the Conditions and/or the Agency Agreement, if it believes that repayment of such funds or satisfactory indemnity against, and/or security and/or pre-funding for, such risk or the liability is not assured to it. Furthermore, notwithstanding anything else contained in this Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Conditions, the Trustee may refrain from doing anything, without any liability, which would or might in its opinion be contrary to the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system on which the Bonds are listed, or which would or might otherwise render it liable to any person, and the Trustee may do anything which is, in its opinion, necessary to comply with any of the aforementioned laws, directives, regulations, fiscal requirements, rules, operating procedures or market practice.
- 11.5 Certificate Signed by Authorised Signatories:** If the Trustee, in the exercise of its functions, rights, powers and/or discretions under this Trust Deed, the Agency Agreement, the Bonds or any other document to which the Trustee is a party in its capacity as such, requires to be satisfied or to have information as to any fact or the expediency of any act, it may call for and accept as sufficient evidence of that fact or the expediency of that act a certificate signed by an Authorised Signatory of the Company as to that fact or to the effect that, in its opinion, that act is expedient and the Trustee needs not call for further evidence and will not be responsible or liable to any

Bondholder, Beneficial Holders or any other person for any loss occasioned by relying or acting on such a certificate.

- 11.6 Deposit of Documents:** The Trustee may appoint as custodian, on any terms, any bank or entity whose business includes the safe custody of documents or any lawyer or firm of lawyers believed by it to be of good repute and may deposit this Trust Deed and any other documents with such custodian and pay all properly incurred sums due in respect thereof at the cost of the Company, and the Trustee shall not be responsible for or required to insure against any loss incurred in connection with such deposit. The Trustee is not obliged to appoint a custodian of securities payable to bearer.
- 11.7 Discretion:** The Trustee will have absolute and unfettered discretion as to the exercise or non-exercise of its functions, rights powers and discretions under this Trust Deed, the Agency Agreement, the Bonds, the Conditions and any other transaction documents and will not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience which may result from its exercise or non-exercise. Whenever in this Trust Deed, the Agency Agreement and the Bonds and the Conditions or by law, the Trustee shall have any discretion or permissive power it may decline to exercise the same in the absence of approval by or directions from the Bondholders or Beneficial Holders. The Trustee shall not be bound to exercise any discretion or power or act at the request or direction of the Bondholders or Beneficial Holders unless first indemnified and/or secured and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against all actions, proceedings, claims and demands to which, in its opinion, it may render itself liable and all costs, charges, damages, expenses and liabilities it may incur by doing so. As between the Trustee and the Bondholders or Beneficial Holders, the exercise of such discretion shall be conclusive and binding. The Trustee shall not be responsible or liable for any loss or liability incurred by any person as a result of any delay in it exercising any such discretion or power or in taking any action, making any decision, or giving any direction where the Trustee is seeking such directions or where instructions sought are not provided by the holders of the Bonds or Beneficial Holders. The Trustee shall not be liable to the Company or any other person for any loss, costs, charges, liabilities and expenses incurred or suffered by the Company or any such other person where it is acting on the instructions or at the direction of the Bondholders or Beneficial Holders (whether given by Bondholders or Beneficial Holders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time or otherwise as contemplated or permitted by this Trust Deed and/or the Bonds) and subject to Clause 11.3, the Trustee shall be entitled to assume any such instructions or direction from Bondholders or Beneficial Holders are duly given and, until it has express written notice to the contrary, have not been revoked. For the avoidance of doubt, the Trustee shall be entitled to request instructions, or clarifications of any instruction, from the Bondholders or Beneficial Holders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds (or, if this Trust Deed, the Agency Agreement and the Conditions stipulate the matter is a decision for any other party or group of parties, from such party or group of parties) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion. The Trustee may refrain from acting unless and until it receives any such instruction or clarification that it has requested.
- 11.8 Agents:** Whenever it considers it expedient in the interests of the Bondholders or Beneficial Holders, the Trustee may, in the conduct of its trust business, instead of acting personally, without the permission of any other party, employ and pay an agent (at the expense of the Company) selected by it, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money).
- 11.9 Delegation:** The Trustee may (at the expense of the Company), without the permission of any



other party, in the execution and exercise of all or any of the trusts, rights, powers, authorities and discretions vested in it by this Trust Deed, the Agency Agreement and the Conditions, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a joint trustee of this Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, the Agency Agreement and/or the Bonds and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders or Beneficial Holders.

- 11.10 Nominees and Custodians:** In relation to any asset held by it under this Trust Deed, the Trustee may appoint any person to act as its nominee or custodian on any terms.
- 11.11 Confidentiality:** Unless ordered to do so by a court of competent jurisdiction or any regulatory body in any jurisdiction or as required by applicable law or regulation, the Trustee shall not be required to disclose to any Bondholder, any Beneficial Holder or any other person any confidential financial or other information made available to the Trustee by the Company or any of its Subsidiaries and no Bondholder or Beneficial Holder shall be entitled to take any action to obtain from the Trustee any such information.
- 11.12 Determinations Conclusive:** As between itself and the Bondholders or Beneficial Holders the Trustee may determine all questions and doubts arising in relation to any of the provisions of this Trust Deed, the Agency Agreement and the Bonds. Such determinations, whether made upon such a question actually raised or implied in the acts or proceedings of the Trustee, will be conclusive and shall bind all other parties and the Bondholders or Beneficial Holders.
- 11.13 Currency Conversion:** Where it is necessary or desirable to convert any sum from one currency to another, it will (unless otherwise provided hereby, in the Conditions or required by law) be converted at such rate or rates, in accordance with such method and as at such date as may be specified by the Trustee but having regard to current rates of exchange, if available. Any rate, method and date so specified will be binding on the Company and the Bondholders or Beneficial Holders.
- 11.14 Winding-Up etc.:** The Trustee may, but is not obliged to, determine whether or not a Winding-Up or any other proposed action or any circumstance is in its opinion capable of remedy and/or materially prejudicial to the interests of the Bondholders or Beneficial Holders. Any such determination will be conclusive and binding on the Company and the Bondholders or Beneficial Holders. Without prejudice to the foregoing, the Trustee is not obliged to make a determination under this Clause 11.14 unless first indemnified and/or secured and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against all actions, proceedings, claims and demands to which it may in its opinion render itself liable and all costs, charges, damages, expenses and liabilities which it may in its opinion incur by so doing.
- 11.15 Payment for and Delivery of Bonds:** The Trustee will not be responsible for the receipt or application by the Company of the proceeds of the issue of the Bonds, any exchange of Bonds or the delivery of Bonds to the persons entitled to them.
- 11.16 Conversion Price:** The Trustee shall have no duty or responsibility to determine whether facts exist which may require an adjustment of the Conversion Price or to determine the nature or extent of any such adjustment when made or the method used or to be used in making it and will not be responsible to Bondholders, Beneficial Holders or any other person for loss arising out of any failure by it to do so.

- 11.17 The Shares:** The Trustee shall have no duty or responsibility at any time in respect of the validity or value (or the kind or amount) of the Shares or any other property which may at any time be issued or delivered on the conversion of any Bonds or the sale or other disposal of any Shares. The Trustee shall not be responsible for any failure of the Company to make available or deliver any Shares, share certificates or any other securities or property or make any payment on conversion of any Bond.
- 11.18 Option to Purchase:** The Trustee shall be bound by and act in accordance with Condition 8(H) (*Strategic Investor Purchase Option*) in the event that the Strategic Investor exercises its Option to Purchase in accordance with the Conditions.
- 11.19 Bonds Held by the Company etc.:** In the absence of express written notice to the contrary, the Trustee may assume without enquiry (other than requesting a certificate under Clause 9.8) that no Bonds are for the time being held by or on behalf of the Company or its Subsidiaries.
- 11.20 Responsibility for Agents etc.:** If the Trustee exercises due and reasonable care in selecting any custodian, agent, delegate or nominee appointed under this Trust Deed (an “**Appointee**”), it will not have any obligation to supervise or monitor the Appointee and shall not be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee’s act, omission, misconduct or default or the act, omission, misconduct or default of any substitute appointed by the Appointee. For the avoidance of doubt, notwithstanding any circumstances where Losses are incurred as a result of any acts or omissions of any Appointee, such acts or omissions shall not affect the rights of the Trustee, its directors, officers or employees to be indemnified under Clause 10.4 which shall continue to apply.
- 11.21 Interests of Bondholders or Beneficial Holders through the Clearing Systems:** In considering the interests of Bondholders or Beneficial Holders while the Global Certificates are held on behalf of, or registered in the name of any nominee for, a clearing system, the Trustee may have regard to any certificate, report or any other information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Certificates and may consider such interests as if such accountholders were the holders of the Bonds represented by the Global Certificates. The Trustee may call for any certificate or other document to be issued by the relevant clearing system as to the principal amount of Bonds evidenced by the Global Certificates standing to the account of any person. Any such certificate or other document shall be conclusive and binding for all purposes. The Trustee shall not be liable to Bondholders or Beneficial Holders, the Company or any other person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by the relevant clearing system and subsequently found to be forged or not authentic or not to be correct.
- 11.22 No responsibility for Recitals etc.:** The Trustee shall not be responsible for recitals, statements, warranties, representations, statements or covenants of any other party contained in this Trust Deed or any other transaction document relating to the Bonds, the Trust Deed, the Agency Agreement, the Conditions or other document entered into in connection therewith which shall be taken as statements by the Company, nor shall the Trustee by the execution of this Trust Deed be deemed to make any representation as to the validity, sufficiency or enforceability of the Bonds or this Trust Deed. The Trustee shall be entitled to assume the accuracy and correctness thereof or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of any such agreement or other document or any security constituted thereby or pursuant thereto.

The Trustee shall not be responsible for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence of, or for any matter or thing done or omitted in any way in connection with or in relation to, this Trust Deed or the Agency Agreement, the Calculation Agency Agreement, the Bonds, the Conditions or any other

document relating hereto or thereto, any licence, consent or other authority for the execution, delivery, legality, effectiveness, adequacy, genuineness, validity, performance, enforceability or admissibility in evidence of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Bonds, the Conditions or any other document relating hereto or thereto.

Neither the Trustee nor any of the Agents shall be responsible for monitoring or in any way ascertaining the existence, coming into effect or change of the laws or regulations related to the obligations of the Company under this Trust Deed, the Agency Agreement, the Calculation Agency Agreement and/or the Conditions or any governmental or regulatory consents, approval, authorisation, resolution, licence or exemption required by the Company in relation thereto, or to ascertain whether such certification, if applicable, shall have been done by the Company, any Bondholder, any Beneficial Holder or any other person and shall not be liable for any failure by the Company, any Bondholder, any Beneficial Holder or any other person to provide such certification.

- 11.23 No responsibility for the Company's condition:** Each Bondholder and Beneficial Holder shall be solely responsible for making and continuing to make its own independent appraisal of and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Company and the Trustee shall not at any time have any responsibility for the same and no Bondholder or Beneficial Holder shall rely on the Trustee in respect thereof.
- 11.24 Enforcement:** The Trustee or the Bondholders or Beneficial Holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding may, at its or their discretion and without further notice, take proceedings against the Company to enforce payment of the Bonds after the Bonds have become due and payable or to declare the Bonds due and payable. The Trustee shall not be under any obligation to do any of the foregoing unless it shall have been so requested in writing by the holders or Beneficial Holders of at least 25 per cent. in principal amount of the Bonds then outstanding and, it shall have been indemnified and/or secured and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action in respect of all costs, claims, liabilities, actions, proceedings, demands, penalties, damages, fees, disbursements and expenses which it has incurred to that date and to which it may thereby and as a consequence thereof in its opinion render itself, or have rendered itself, liable. No Bondholder or Beneficial Holder will be entitled to proceed directly against the Company unless the Trustee, having become bound to do so, fails to do so within sixty days and such failure shall be continuing.
- 11.25 Consent:** Any consent to be given, or any discretion to be exercised, by the Trustee for the purposes of this Trust Deed or the Bonds may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit, and notwithstanding anything to the contrary in this Trust Deed or the Bonds, any such consent may be given or any such discretion may be exercised retrospectively.
- 11.26 Professional Charges:** Any Trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by it on matters arising in connection with the trusts of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Bonds and the Conditions and any charges in addition to disbursements for all other work and business done and all time spent by it on matters arising in connection with this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Bonds and/or the Conditions including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person.
- 11.27 Special Damages and Consequential Loss:** Notwithstanding any other term or provision of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Conditions

to the contrary, the Trustee and its directors, officers, employees and duly appointed Appointees shall not be liable under any circumstances for special, punitive, indirect or consequential loss or damage of any kind whatsoever including but not limited to loss of business, goodwill, reputation, opportunity or profits or anticipated saving, in each case howsoever caused or arising and whether arising directly or indirectly and whether or not foreseeable, even if the Trustee is actually aware of or has been advised of the likelihood of such loss or damage and regardless of the form of action. The provisions of this Clause 11.26 shall survive the termination or expiry of this Trust Deed and/or the Bonds no longer being outstanding and/or the resignation or removal of the Trustee.

**11.28 Interests of Bondholders or Beneficial Holders:** In connection with the exercise of its powers, trusts, authorities or discretions (including, but not limited to, those in relation to any proposed modification, waiver or authorisation of any breach or proposed breach of any of the Conditions or any of the provisions of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Conditions or the Bonds), the Trustee shall have regard to the general interests of the Bondholders or Beneficial Holders as a class and shall not have regard to any interest arising from circumstances particular to individual Bondholders or Beneficial Holders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of such exercise for individual Bondholders or Beneficial Holders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or otherwise to the tax consequences thereof and no Bondholder or Beneficial Holder shall be entitled to claim from the Company or the Trustee, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders or Beneficial Holders.

**11.29 Force Majeure:** Notwithstanding anything to the contrary in this Trust Deed, the Agency Agreement, the Calculation Agency Agreement, the Bonds, the Conditions or in any other transaction document, the Trustee shall not be responsible for any loss or damage, or failure to comply or delay in complying with any duty or obligation, under or pursuant to this Trust Deed arising as a direct or indirect result of any Force Majeure Event or any event where, in the reasonable opinion of the Trustee, performance of any duty or obligation under or pursuant to this Trust Deed would or may be illegal or would result in the Trustee being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organisation to which the Trustee is subject. The provisions of this Clause 11.28 shall survive the termination or expiry of this Trust Deed or the Bonds no longer being outstanding or the resignation or removal of the Trustee. “**Force Majeure Event**” means any event (including but not limited to an act of God, fire, epidemic, explosion, floods, earthquakes, typhoons; riot, civil commotion or unrest, insurrection, terrorism, war, strikes or lockouts; nationalisation, expropriation or other governmental actions; any law, order or regulation of a governmental, supranational or regulatory body; regulation of the banking or securities industry including changes in market rules, currency restrictions, devaluations or fluctuations; market conditions affecting the execution or settlement of transactions or the value of assets; and breakdown, failure or malfunction of any telecommunications, computer services or systems, or other causes) beyond the control of any party which restricts or prohibits the performance of the obligations of such party contemplated by this Trust Deed.

**11.30 Directions from holders:** Whenever the Trustee is required or entitled by the terms of this Trust Deed or the Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision, or giving any such direction, to seek directions from the holders of the Bonds or Beneficial Holders by obtaining the consent of Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time, and the Trustee is not responsible for any loss or liability incurred

by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction where the Trustee is seeking such directions or in the event that the instructions sought are not provided by the holders of the Bonds or Beneficial Holders.

- 11.31 Independent Financial Advisor:** The Trustee has no responsibility for the accuracy or otherwise of any determination made by an Independent Financial Advisor pursuant to the Conditions.
- 11.32 Reliance on Certificates:** Without prejudice to Clause 10.1, the Trustee may rely without liability to Bondholders or Beneficial Holders on any certificate prepared by an Authorised Signatory which may be accompanied by a certificate or report prepared by an Independent Financial Advisor or other advisor or expert pursuant to the Conditions and/or this Trust Deed, whether or not addressed to the Trustee, and whether or not the liability of the Independent Financial Advisor or such other advisor or expert in respect thereof is limited by a monetary cap or otherwise limited or excluded and shall be obliged to do so where the certificate or report is delivered pursuant to the obligation of the Company to procure such delivery under the Conditions and the Conditions so provide, and in such event, any such certificate or report shall be conclusive and binding on the Company, the Trustee and the Bondholders or Beneficial Holders, and the Trustee shall not be responsible for any loss occasioned by action on any such certificate or report.
- 11.33 Error of Judgment:** The Trustee shall not be liable for any error of judgment made in good faith by any officer, director, agent or employee of the Trustee assigned by the Trustee to administer its corporate trust matters.
- 11.34 Right to Deduct or Withhold:** Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed, and the Trustee shall not be liable to gross-up such payments.
- 11.35 Information Covenant:** In order to comply with applicable law relating to payments in respect of the Bonds in effect from time to time related to this Trust Deed, the Agency Agreement, the Calculation Agency Agreement and/or the Conditions and any related transaction documents, the Company agrees (i) to provide to the Trustee sufficient information (to the extent available to it) about holders or other applicable parties and/or transactions (including any modification to the terms of the Bonds) so that the Trustee can determine whether it has tax related obligations under the applicable laws, and (ii) that, without prejudice to Clause 11.33, the Trustee shall be entitled to make any withholding or deduction from payments under this Trust Deed to the extent necessary to comply with the applicable laws for which the Trustee shall not have any liability, and the Trustee shall not have any obligation to gross-up any payment hereunder or to pay any additional amount as a result of such deduction or withholding. The Trustee shall notify the Company promptly of any such withholding or deduction.

- 11.36 Legal Opinions:** The Trustee shall not be responsible to any person for (i) failing to request, require or receive any legal opinion relating to the Bonds, this Trust Deed, the Agency Agreement and/or the Calculation Agency Agreement, the Bonds and/or the Conditions or (ii) checking or commenting upon the content of any such legal opinion or (iii) the content of any such legal opinion, and the Trustee shall not be responsible for any loss, liability, cost, claim, action, demand, expense or inconvenience incurred and resulting thereby.
- 11.37 Freedom to Refrain:** Notwithstanding anything else contained herein, the Trustee may refrain from doing anything, without any liability, which would or might in its opinion be contrary to any law of any jurisdiction, any court order or arbitral award or any directive or regulation of any agency or any state or which would or might otherwise render it liable to any person or which it would not have the power to do in that jurisdiction, and the Trustee may, without any liability, do anything which is, in its opinion, necessary to comply with any such law, court order, arbitral award, directive or regulation.
- 11.38 Consolidation, amalgamation etc.:** The Trustee shall not be responsible for any consolidation, amalgamation, merger, reconstruction or scheme of the Company or any sale or transfer of all or substantially all of the assets of the Company or the form or substance of any plan relating thereto or the consequences thereof to any Bondholder or Beneficial Holder.
- 11.39 Waiver of Conflicts:** The Company hereby irrevocably waives, in favour of the Trustee, any conflict of interest which may arise by virtue of the Trustee or any affiliate of the Trustee acting in various capacities under the Agency Agreement, this Trust Deed and any other documents relating to the Bonds or for other customers of the Trustee. The Company hereby acknowledges that the Trustee and its affiliates (together, the “**Trustee Parties**”) may have interests in, or may be providing or may in the future provide financial or other services to, other parties with interests which an issuer may regard as conflicting with its interests and may possess information (whether or not material to the Company) that the Trustee Parties may not be entitled to share with the Company. The Trustee will not disclose confidential information obtained from the Company (without its consent) to any of the Trustee’s other customers nor will it use on the behalf of the Company any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company agrees that the Trustee Parties may deal (whether for its own or its customers’ account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Agency Agreement, this Trust Deed and any other documents relating to the Bonds.
- 11.40 Anti-Money Laundering and Terrorism:** The Trustee, at the expense of the Company, may take and instruct any agent or delegate to take any action which it in its sole discretion considers necessary so as to comply with any applicable law, regulation or request of a public or regulatory authority which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Company’s accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of fund paid into or out of the Company’s accounts. In certain circumstances, such action may delay or prevent the processing of the Company’s instructions, the settlement of transactions over the Company’s accounts or the Trustee’s performance of its obligations under this Trust Deed, the Agency Agreement, the Conditions and/or the Bonds. Neither the Trustee nor any agent or delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by the Trustee or any agent or delegate pursuant to this Clause 11.39.
- 11.41 Not Responsible for Listing:** Nothing in this Trust Deed shall require the Trustee to assume an obligation of the Company arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other applicable competent authority).

- 11.42 Powers, Discretions and Functions Additional:** The powers, discretions and functions conferred on the Trustee by this Trust Deed, the Agency Agreement and/or the Conditions shall be in addition to any powers, discretions and functions the Trustee may otherwise have under general law.
- 11.43 Insurance:** The Trustee shall not be under any obligation to insure any document, or any certificate, note, bond or other evidence in respect thereof, or to require any other person to maintain any such insurance. The Trustee shall not be responsible for any loss that may be suffered by any person as a result of or inadequacy of any such insurance.
- 11.44 No Implied Duties:** The Trustee shall be obliged to perform such duties, and only such duties, as are herein or in this Trust Deed, the Agency Agreement or the Conditions, as applicable, specifically set forth, and no implied duties or obligations shall be read into such documents against the Trustee.

## **12 Trustee's Duty of Care and Liability**

Subject to Sections 750 and 751 of the Companies Act 2006 (if applicable) and notwithstanding any other term or provision of this Trust Deed to the contrary, the Trustee shall not be liable to the Bondholders or Beneficial Holders or the Company for any matter or thing done or omitted or action taken or omitted by it in any way in connection with or in relation to the transaction documents other than to the extent that a court of competent jurisdiction determines that the Trustee's gross negligence, fraud or wilful default was a direct cause of any loss to the Bondholders, Beneficial Holders and the Company (as the case may be).

Section 1 of the Trustee Act 2000 and/or any statutory duty of care provided for in the Trustee Ordinance shall not apply to any function, right, power, discretion or act of the Trustee or in relation to the trusts constituted by this Trust Deed. Where there are inconsistencies between the (i) Trustee Act 1925 and (ii) Trustee Act 2000 and (iii) Trustee Ordinance and the provisions of this Trust Deed, the provisions of this Trust Deed shall prevail to the extent allowed by law. In the case of an inconsistency with the Trustee Act 1925, Trustee Act 2000 and/or the Trustee Ordinance, the provisions of this Trust Deed shall take effect as a restriction or exclusion for the purpose of the Trustee Act, Trustee Act 2000 and/or Trustee Ordinance.

## **13 Trustee not Precluded from Entering into Contracts**

The Trustee and entities associated with the Trustee and any of their officers, directors and employees may become the owner of, and/or may acquire any interest in, any Bonds with the same rights that it or he would have had if the Trustee was not appointed under this Trust Deed, and may engage or be interested in any financial or other transaction with the Company and any other persons, and may act on, or as depository, trustee or agent for, any committee or body of Bondholders, Beneficial Holders or other obligations of the Company or any other person, as freely as if the Trustee was not appointed under this Trust Deed and shall be entitled to retain and shall not in any way be liable to account to the Company, the Bondholders, Beneficial Holders or any other person for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

## **14 Amendments, Supplements and Waivers**

### **14.1 Amendments without Consent of Bondholders**

**14.1.1** This Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Bonds may be amended, without the consent of any Bondholder, to:

- (i) cure any ambiguity, defect, omission or inconsistency in this Trust Deed, the

Agency Agreement, the Calculation Agency Agreement or the Bonds;

- (ii) evidence and provide for the acceptance of appointment by a successor Trustee or any Agent;
- (iii) in any other case where a supplemental trust deed to this Trust Deed is required or permitted to be entered into pursuant to the provisions of this Trust Deed without the consent of any Bondholder;
- (iv) make any other change that provides additional rights or benefits to Bondholders or that does not materially and adversely affect the rights of any Bondholder; or
- (v) effect any changes to this Trust Deed in a manner necessary to comply with the procedures of Euroclear, Clearstream or the relevant clearing system.

## **14.2 Amendments with Consent of Bondholders**

**14.2.1** Amendments of this Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Bonds may be made by the Company and the Trustee with the consent of the Bondholders of not less than a majority in aggregate principal amount of the outstanding Bonds and the Bondholders of a majority in principal amount of the outstanding Bonds may waive future compliance by the Company with any provision of the Bonds, the Agency Agreement, the Calculation Agency Agreement or this Trust Deed; *provided, however*, that no such amendment, supplement or waiver may, without the consent of Bondholders which in the aggregate hold 75% of the outstanding principal amount of the Bonds at such time:

- (i) change the Maturity Date of the principal of any Bond;
- (ii) reduce the principal amount of any Bond;
- (iii) change the currency of payment of principal of any Bond;
- (iv) modify (except for a unilateral and unconditional reduction in the Conversion Price by the Company) or cancel the Conversion Rights;
- (v) impair the right to institute suit for the enforcement of any payment on or after the Maturity Date (or, in the case of a redemption, on or after the redemption date) of any Bond;
- (vi) reduce the above-stated percentage of outstanding Bonds the consent of whose Bondholders is necessary to modify or amend this Trust Deed;
- (vii) waive a default in the payment of principal of the Bonds (except a rescission of acceleration of the Bonds by the Bondholders of a majority in aggregate principal amount of the Bonds and a waiver of a default that resulted from such acceleration);
- (viii) reduce the percentage or aggregate principal amount of outstanding Bonds the consent of whose Bondholders is necessary for waiver of compliance with certain provisions of this Trust Deed or for waiver of certain defaults;
- (ix) consent to the assignment or transfer by the Company of any of its rights or



obligations under this Trust Deed;

- (x) change the redemption date or the redemption price of the Bonds from that stated in Condition 8 (*Redemption, Purchase and Cancellation*);
- (xi) amend, change or modify the obligation of the Company to pay Additional Amounts;
- (xii) amend, change or modify any provision of this Trust Deed or the related definition affecting the ranking of the Bonds in a manner which adversely affects the Bondholders; or
- (xiii) make any change in the preceding amendment and waiver provisions.

**14.2.2** It is not necessary for Bondholders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

**14.2.3** An amendment, supplement or waiver under this Clause 14.2 will become effective on receipt by the Trustee of written consents from the Bondholders of the requisite percentage in principal amount of the outstanding Bonds. After an amendment, supplement or waiver under this Clause 14.2 becomes effective, the Company will send to the Bondholders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will send supplemental trust deed to Bondholders upon request. Any failure of the Company to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental trust deed or waiver.

### **14.3 Effect of Consent**

**14.3.1** After an amendment, supplement or waiver becomes effective, it will bind every Bondholder.

**14.3.2** If an amendment, supplement or waiver changes the terms of a Bond, the Trustee may require the Bondholder to deliver it to the Trustee so that the Trustee may place an appropriate notation of the changed terms on the Bond and return it to the Bondholder, or exchange it for a new Bond that reflects the changed terms. The Trustee may also place an appropriate notation on any Bond thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver is not affected by any failure to annotate or exchange Bond in this fashion.

### **14.4 Trustee's and Other Agent's Rights and Obligations**

Each of the Trustee and the other Agents is entitled to receive, and will be fully protected in relying upon, an Opinion of Counsel stating that the execution of any amendment, supplement or waiver authorised pursuant to this Clause 14 is authorised or permitted by this Trust Deed and that such amendment, supplement or waiver constitutes the legal, valid, binding and enforceable obligations of the party or parties executing such amendment, supplement or waiver, and an Officers' Certificate stating that all conditions precedent have been complied with. If the Trustee or the other Agents, as the case may be, has received such an Opinion of Counsel and Officers' Certificate, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Trustee or the other Agents, as the case may be. Each of the Trustee and the other Agents may, but is not obligated to, execute any

amendment, supplement or waiver that affects the Trustee's or the other Agents' own rights, duties or immunities under this Trust Deed.

## **15 Appointment, Retirement and Removal of the Trustee**

**15.1 Appointment:** Subject as provided in Clause 15.2 below, the Company has the power of appointing new trustees but no-one may be so appointed unless previously approved by Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time. A trustee at all times will be a trust corporation and may be the sole Trustee. Any appointment of a new Trustee will be notified by the Company to the Bondholders as soon as practicable.

**15.2 Retirement and Removal:** Any Trustee may retire at any time on giving at least 45 days' written notice to the Company without giving any reason or being responsible for any costs, charges and expenses occasioned by such retirement or the appointment of a new trustee, and Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time may remove any Trustee provided that the retirement or removal of a sole trust corporation will not be effective until a trust corporation is appointed as Successor of Trustee. If a sole trust corporation gives notice of retirement or Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time approve for its removal, the Company will use all reasonable endeavours to procure that another trust corporation be appointed as Trustee but if it fails to do so by the day falling 15 days prior to the expiry of such 45 day notice period or, as the case may be, by the day falling 30 days after the date of such approval by Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time, the retiring Trustee shall have the power, (i) to petition any court of competent jurisdiction for its resignation or (ii) to appoint a new trustee, in each case on behalf of and at the expense of the Company. For the avoidance of doubt, the appointment of a successor trustee appointed by the retiring Trustee shall not require approval by Bondholders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time or any other approvals. The Trustee shall not be responsible for monitoring or supervising any such new trustee or security trustee.

**15.3 Successor:** Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor to the Trustee hereunder without the execution or filing of any papers or any further act on the part of any of the parties hereto. Notice shall be given to the Company by the Trustee as soon as practicable if any event described in this Clause 15.3 occurs.

## **16 Currency Indemnity**

**16.1 Currency of Account and Payment:** United States dollars (the "Contractual Currency") is the sole currency of account and payment for all sums payable by the Company under or in connection with the Bonds and this Trust Deed, including damages.

**16.2 Extent of Discharge:** An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Company or otherwise), by the Trustee or any Bondholder in respect of any sum expressed to be due to it from the Company will only discharge the Company to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

**16.3 Indemnity:** If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under the Bonds or this Trust Deed, the Company will indemnify the recipient against any loss sustained by it as a result. In any event, the Company will indemnify the recipient against the cost of making any such purchase. The Contracts (Rights of Third Parties) Act 1999 shall apply to this Clause 16.3.

**16.4 Indemnity Separate:** The indemnities in this Clause 16 and in Clauses 4.1 and 10.4 constitute separate and independent obligations from the other obligations in this Trust Deed, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and/or any Bondholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Trust Deed, the Agency Agreement, the Calculation Agency Agreement and/or the Bonds or any other judgment or order.

**16.5 Continuing Effect:** Clause 16 will continue in full force and effect as regards the Trustee even if it no longer is Trustee.

## **17 Communications**

Any communication shall be by letter or email:

in the case of communications to the Company to it at:

China Aoyuan Group Limited 中國奧園集團股份有限公司  
19th Floor, One Peking  
1 Peking Road  
Tsim Sha Tsui, Kowloon  
Hong Kong SAR  
China

Email: sarah.wong@aoyuangroup.com / emma.qi@aoyuangroup.com

Attention: Sarah Wong / Emma Qi

in the case of communications to the Trustee, to it at:

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Email address: agent@madisonpac.com

Attention: Cassandra Ho

Communications will take effect, in the case of a letter, when delivered or, in the case of email, when sent to the correct email address; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-business day in the place of receipt shall be deemed to take effect at the opening of business on the next following business day in such place.

Any notice or demand shall be deemed to have been sufficiently given or served when so sent or deposited and, if to the holders of the Bonds, when delivered in accordance with the applicable rules and procedures of Euroclear and Clearstream or by way of an announcement on the designated website of the Hong Kong Stock Exchange (if and for so long as the Shares

are listed on the Hong Kong Stock Exchange). Any such notice shall be deemed to have been delivered on the day such notice is delivered to Euroclear and Clearstream or is uploaded on the designated website of the Hong Kong Stock Exchange or if by mail, when so sent or deposited. Any notice to the Trustee shall be effective only upon receipt.

Any of the parties named above may change its address for the purpose of this Clause 17 by giving notice of such change to the other parties to this Trust Deed.

All notices and other communications hereunder shall be made in English or shall be accompanied by an English translation thereof.

The Trustee may conclusively rely on and shall be fully authorised and protected in and shall have no liability for acting or omitting to act upon or in reliance on written communications from the Company with respect to any matter covered in this Trust Deed and/or the Bonds and/or the Agency Agreement or on any certificate, instrument, opinion, notice, letter, facsimile, e-mail, or other document or instrument, original or copy, delivered or sent by email or electronically to it and believed by it to be genuine and to have been sent by the proper person or persons, and shall not have any responsibility to verify or confirm that the person giving the same is duly authorised to do so.

## **18 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any provision of this Trust Deed under the Contracts (Rights of Third Parties) Act 1999 except to the extent expressly provided for in this Trust Deed. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **19 Counterparts**

This Trust Deed (and any Supplemental Trust Deed thereto) may be executed in counterparts, which when taken together shall constitute one and the same instrument.

## **20 Governing Law and Jurisdiction**

**20.1 Governing Law:** This Trust Deed and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

**20.2 Jurisdiction:** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or this Trust Deed and accordingly any legal action or proceedings arising out of or in connection with the Bonds and/or this Trust Deed (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of the Trustee and the Bondholders.

**20.3 Service of Process:** The Company has irrevocably agreed to receive service of process in any Proceedings in Hong Kong based on any of the Bonds at the Company’s business address in Hong Kong, currently at 19th Floor, One Peking 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR, China. Such service shall be deemed completed on delivery to such address (whether or not, it is forwarded to and received by the Company). If for any reason such agent ceases to be able to act as such or no longer has an address in Hong Kong, the Company irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and deliver to the Trustee a copy of the agent’s acceptance of that appointment within 30 days of such cessation. Nothing shall affect the right to serve process in any manner permitted by law.

**20.4 Waiver of Immunity:** The Company hereby waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

**Schedule 1**  
**Part A**  
**Form of Global Certificates**

ISIN: [●]  
Common Code: [●]

Registered No.: [●]

THE BONDS AND THE SHARES DELIVERABLE UPON CONVERSION (COLLECTIVELY, THE “SECURITIES”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITIES NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Certificate and the IAI Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Certificate: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Certificate: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THE SECURITIES (OR ANY PREDECESSOR OF THE SECURITIES), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PRINCIPAL PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PRINCIPAL PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THE SECURITIES, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS BOND IN AN “OFFSHORE TRANSACTION” PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE DATE ON WHICH THE SECURITIES (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN U.S.\$1,000.

EACH PURCHASER OF THE SECURITIES IS HEREBY NOTIFIED THAT THE SELLER OF THE SECURITIES MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF [●], AS COMMON DEPOSITARY (“COMMON DEPOSITARY”) FOR EUROCLEAR BANK SA/NV (“EUROCLEAR”) AND CLEARSTREAM BANKING S.A. (“CLEARSTREAM”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY, HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE TRUST DEED HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR A NOMINEE THEREOF. THE SECURITIES MAY NOT BE EXCHANGEABLE IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THE SECURITIES IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH COMMON DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE TRUST DEED.

*(incorporated in the Cayman Islands with limited liability)*

## **U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028**

This Global Certificate is issued in respect of the principal amount specified above of the Bonds (the “**Bonds**”) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”). This Global Certificate certifies that [●] as nominee for the Common Depository of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”) is registered as the holder of such principal amount of the Bonds at the date hereof.

The Bonds are constituted by, are subject to, and have the benefit of, the Trust Deed and the Conditions set out on the reverse hereof.

The Bonds in respect of which this Certificate is issued are convertible into fully-paid ordinary shares with a par value of HK\$0.01 each in the share capital of the Company subject to and in accordance with the Conditions and the Trust Deed.

### **Interpretation and Definitions**

References in this Global Certificate to the “Conditions” are to the Terms and Conditions applicable to the Bonds (which are in the form set out in Schedule 2 to the Trust Deed (the “**Trust Deed**”) dated [●] 2023 between the Company and Madison Pacific Trust Limited as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate, which in the event of any conflict the terms of the Trust Deed shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

### **Mandatory Conversion**

Unless previously redeemed, converted or purchased and cancelled as provided in the Conditions and subject as provided in the Conditions, the Bonds represented by this Global Certificate will be converted into Shares on the Maturity Date by way of the Mandatory Conversion.

### **Payment or Delivery**

The Company, for value received, promises to pay to the holder of the Bonds represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Bonds) the amount (if any) payable upon redemption under the Conditions in respect of the Bonds represented by this Global Certificate, together with such other sums and Additional Amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Each payment (if any) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Bonds represented by this Global Certificate is bound by all the provisions of the Trust Deed and those provisions applicable to it of the Agency Agreement and the Calculation Agency Agreement, (b) the Company certifies that the registered holder is, at the date hereof, entered in the Register as the holder of the Bonds represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Bonds represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Bonds represented by this Global Certificate is entitled to payments in respect of the Bonds represented by this Global Certificate.



## **Exchange of Bonds Represented by Global Certificate**

Owners of interests in the Bonds in respect of which this Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system through which the Securities are held (an “**Alternative Clearing System**”) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Company will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which this Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

## **Notices**

So long as the Bonds are represented by this Global Certificate and this Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing system, notices to holders of the Bonds shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Conditions. Notices will be deemed given on the date such notice is delivered to the clearing systems.

## **Transfers**

Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

## **Cancellation**

Cancellation of any Bond by the Company following its redemption, conversion or purchase by the Company will be effected by a reduction in the principal amount of the Bonds in the Register and this Global Certificate on its presentation to or to the order of the Registrar for annotations (for information only) in this Global Certificate.

## **Voluntary Conversion Right**

Subject to the requirements of Euroclear and Clearstream (or any Alternative Clearing System), the Voluntary Conversion Right attaching to a Bond in respect of which this Global Certificate is issued may be exercised by the presentation thereof to or to the order of the Conversion Agent of one or more Voluntary Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of this Global Certificate with the Conversion Agent together with the relevant Voluntary Conversion Notice(s) shall not be required. The exercise of the Voluntary Conversion Right shall be notified by the Conversion Agent to the Registrar and the holder of this Global Certificate.

## **Trustee’s Powers**

In considering the interests of Bondholders while this Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the

Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which this Global Certificate is issued.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Certificate is governed by and shall be construed in accordance with English law.

**In witness** whereof the Company has caused this Global Certificate to be signed on its behalf.

Dated: [ ● ]

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

By: \_\_\_\_\_

Name:

Title:

**Certificate of Authentication**

This Certificate is authenticated  
by or on behalf of the Registrar  
without recourse, warranty or liability.

**Madison Pacific Trust Limited** as Registrar

By:

Authorised Signatory  
For the purposes of authentication only.

## Schedule A

### Schedule of Increases/Reductions in Principal Amount of Bonds in respect of which this Global Certificate is Issued

The following increases/reductions in the principal amount of Bonds in respect of which this Global Certificate is issued have been made as a result of: (i) conversion of Bonds, (ii) redemption of Bonds, (iii) purchase and cancellation of Bonds, (iv) partial exchange for Definitive Certificates or (v) transfers of the interests in the Global Certificate:

<b>Date of Conversion / Redemption / Purchase and Cancellation of Bonds / Issue of definitive Certificates / Transfer (stating which)</b>	<b>Amount of increase/decrease in principal amount of this Global Certificate</b>	<b>Principal amount of this Global Certificate following such increase/decrease</b>	<b>Notation made by or on behalf of the Registrar</b>
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On the back:

**Terms and Conditions of the Bonds**

[The Terms and Conditions that are set out in Schedule 2 to the Trust Deed will be set out here.]

**PRINCIPAL PAYING AGENT AND REGISTRAR**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**Schedule 1**  
**Part B**  
**Form of Certificate**

<b>Amount</b>	<b>Series</b>	<b>Certificate Number</b>
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THE BONDS AND THE SHARES DELIVERABLE UPON CONVERSION (COLLECTIVELY, THE “SECURITIES”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITIES NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Certificate and the IAI Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Certificate: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Certificate: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THE SECURITIES (OR ANY PREDECESSOR OF THE SECURITIES), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PRINCIPAL PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PRINCIPAL PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THE SECURITIES, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT

PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS BOND IN AN “OFFSHORE TRANSACTION” PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE DATE ON WHICH THE SECURITIES (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN U.S.\$1,000.

EACH PURCHASER OF THE SECURITIES IS HEREBY NOTIFIED THAT THE SELLER OF THE SECURITIES MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

**China Aoyuan Group Limited 中國奧園集團股份有限公司**  
*(incorporated in the Cayman Islands with limited liability)*

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028**

The Bond or Bonds in respect of which this definitive certificate (the “**Certificate**”) is issued are in registered form and form part of a series designated as specified in the title (the “**Bonds**”) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”). The Bonds are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon and are issued subject to, and with the benefit of, the Trust Deed referred to in the Conditions. All words and expressions defined in the Trust Deed and the Conditions shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

The Company hereby certifies that [●] of [●] is, at the date hereof, entered in the Register as the holder of Bonds in the principal amount of U.S.\$ [●] ([●] U.S. dollars).

The Bonds in respect of which this Certificate is issued are convertible into fully-paid ordinary shares with a par value of HK\$0.01 each in the share capital of the Company subject to and in accordance with the Conditions and the Trust Deed.



This Certificate is evidence of entitlement only. Title to the Bonds represented by this Certificate passes only on due registration on the Register. Only the holder of the Bonds represented by this Certificate is entitled to payments in respect of the Bonds represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Certificate is governed by and shall be construed in accordance with English law.

**In witness** whereof the Company has caused this Certificate to be signed on its behalf.

Dated: [ ● ]

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

By: \_\_\_\_\_

Name:

Title:

**Certificate of Authentication**

This Certificate is authenticated  
by or on behalf of the Registrar  
without recourse, warranty or liability.

**Madison Pacific Trust Limited** as Registrar

By:

Authorised Signatory  
For the purposes of authentication only.

On the back:

**Terms and Conditions of the Bonds**

[The Terms and Conditions that are set out in Schedule 2 to the Trust Deed will be set out here.]

**PRINCIPAL PAYING AGENT AND REGISTRAR**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**Schedule 1**  
**Part C**  
**Form of Transfer**

[Date]

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

as Registrar

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司  
U.S.\$-denominated Zero Coupon Mandatory Convertible Bonds due 2028 (ISIN: [●] |  
Common Code: [●]) (the “**Bonds**”)

Dear Sirs or Madams:

Reference is hereby made to the trust deed, dated as of [•] 2023 (the “**Trust Deed**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), and Madison Pacific Trust Limited as Trustee. Capitalised terms used but not defined herein shall have the meanings given to them in the Trust Deed.

\_\_\_\_\_ (the “**Transferor**”) owns and proposes to transfer the Bonds or a beneficial interest in the Bonds specified in Annex A hereto, in the principal amount of U.S.\$\_\_\_\_\_ (the “**Transfer**”), to \_\_\_\_\_ (the “**Transferee**”), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK]

☐ The amount of the Transfer is equal to or greater than U.S.\$1,000

The Transferor hereby further certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the Rule 144A Global Certificate or a Certificate pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and, accordingly, the Transferor hereby further certifies that the beneficial interest or Certificate is being transferred to a Person that the Transferor or any Person acting on its behalf reasonably believed and believes is purchasing the beneficial interest or Certificate for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act to whom notice has been given that the transfer is being made in reliance on Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with all applicable

securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Trust Deed, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the Rule 144A Global Certificate and/or the Certificate and in the Trust Deed and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the IAI Global Certificate or a Certificate.** The Transferor hereby certifies that the beneficial interest or the Certificate is being transferred to a Person that is an institutional “accredited investor” (“IAI”) within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that has provided the attached duly executed IAI Investment Letter (annexed as Annex B hereto) pursuant to an exemption from the registration requirements in the Securities Act and in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Trust Deed, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the IAI Global Certificate and/or the Certificate and in the Trust Deed and the Securities Act.

3. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Certificate or a Certificate pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Regulation S under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the offer of the Bonds was not made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and such Transferor or any person acting on its behalf does not know that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in connection with the Transfer in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S under the Securities Act, (iii) if the Transfer is made during a period of 40 days beginning on and including the later of the original issue date of the Bonds and the date on which the Bonds were first offered to persons other than distributors (as defined in rule 902 of Regulation S) in reliance on Regulation S, the Transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person, (iv) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act, and (v) such Transfer is in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Trust Deed, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the Regulation S Global Certificate and/or the Certificate and in the Trust Deed and the Securities Act.

4. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Global Certificate or a Certificate pursuant to any other exemption provision of the Securities Act.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Global Certificate and Certificate and pursuant to and in accordance with the Securities Act and all applicable securities laws of any other jurisdiction.

You and the Company are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Transferor]

By: \_\_\_\_\_

Name:

Title:

## ANNEX A

### TO TRANSFER CERTIFICATE

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code:[●]); or

(b) ☐ a Certificate.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]);  
or

(b) ☐ a Certificate,

in accordance with the terms of the Trust Deed.



**ANNEX B**

**TO TRANSFER CERTIFICATE**

**FORM OF IAI INVESTMENT LETTER**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

as Registrar

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司  
U.S.\$- denominated Zero Coupon Mandatory Convertible Bonds due 2028 (ISIN:  
[●]/Common Code: [●]) (the “**Bonds**”)

Dear Sirs or Madams,

Reference is hereby made to the trust deed, dated as of [●] 2023 (the “**Trust Deed**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), and Madison Pacific Trust Limited as Trustee. Capitalised terms used but not defined herein shall have the meanings given to them in the Trust Deed. In connection with our proposed purchase of U.S.\$*[insert principal amount of Bonds]* aggregate principal amount of Bonds, we represent and warrant as follows:

1. We have received such information as we deem necessary in order to make our investment decision.
2. We understand that any subsequent transfer of the Bonds is subject to certain restrictions and conditions set forth in the Trust Deed and the Bonds and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Bonds except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the “**Securities Act**”).
3. We understand that the offer and sale of the Bonds have not been registered under the Securities Act, and that the Bonds may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, not to offer, sell or otherwise transfer such Bonds except (A) to the Company or one of its subsidiaries, (B) pursuant to a registration statement which has been declared effective under the Securities Act, (C) for so long as the Bonds are eligible for resale pursuant to Rule 144A under the Securities Act (“**Rule 144A**”), to a person we reasonably believe is a “qualified institutional buyer” as defined in Rule 144A that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A, (D) to an institutional “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that, before such transfer, furnishes to the Company a signed letter, substantially identical to this letter, containing certain representations and agreements relating to the transfer of the Bonds, (E) outside the United States in compliance with Regulation S of the Securities Act, or (F) pursuant to any other available exemption from the registration requirements of the Securities Act, in each case, in accordance with any

applicable securities laws of any State of the United States or any other jurisdiction. We understand that, on any proposed resale of any Bonds, we and each subsequent holder will be required to deliver to the transferee of the Bonds or any interest or participation therein a notice substantially to the foregoing effect.

4. We understand that, on any proposed resale of any Bonds, we will be required to furnish to the Company such certifications, legal opinions, and other information (including a letter substantially similar to this one from any purchaser who is an institutional accredited investor) as it may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Bonds purchased by us will bear a legend to substantially the foregoing effect.
5. We invest or purchase securities similar to the Bonds in the normal course of our business.
6. We are an institution that is an accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Bonds, and we and any accounts for which we act are each able to bear the economic risk of our own or of any such accounts' investment for an indefinite period of time.
7. We are acquiring the Bonds for our own account or for one or more accounts (each of which is an institutional accredited investor) as to each of which we exercise in our sole investment discretion and not with a view to any distribution of the Bonds in violation of the Securities Act, subject, nevertheless, to the understanding that the disposition of our property will at all times be and remain within our control.
8. We are acquiring the Bonds having at least a minimum principal amount of U.S.\$1,000.

*[Insert name of Transferee]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule 1**  
**Part D**  
**Form of Certificate of Exchange**

[Date]

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司  
U.S.\$-denominated Zero Coupon Mandatory Convertible Bonds due 2028 (ISIN: [●] |  
Common Code: [●]) (the “**Bonds**”)

Dear Sirs:

Reference is hereby made to the trust deed, dated as of [●] 2023 (the “**Trust Deed**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), and Madison Pacific Trust Limited as Trustee. Capitalised terms used but not defined herein shall have the meanings given to them in the Trust Deed.

\_\_\_\_\_ (the “**Owner**”) owns and proposes to exchange the Bonds or a beneficial interest in the Bonds specified in Annex A hereto, in the principal amount of U.S.\$\_\_\_\_\_ (the “**Exchange**”). In connection with the Exchange, the Owner hereby certifies that:

[CHECK]

1. ☐ **Check if Exchange is from a beneficial interest in a Global Certificate for individual definitive Certificate.** In connection with the Exchange of the Owner’s beneficial interest in a Global Certificate for individual definitive Certificate in an equal amount, the Owner hereby certifies that such individual definitive Certificate are being acquired for the Owner’s own account without transfer. The individual definitive Certificate issued pursuant to the Exchange will be subject to restrictions on transfer enumerated in such Certificate, the Trust Deed and the U.S. Securities Act of 1933, as amended (the “**Securities Act**”).

2. ☐ **Check if Exchange is from individual definitive Certificate for a beneficial interest in a Global Certificate.** In connection with the Exchange of the Owner’s individual definitive Certificate for a beneficial interest in a Global Certificate in an equal amount, the Owner hereby certifies that such beneficial interest is being acquired for the Owner’s own account without transfer. The beneficial interest will be subject to restrictions on transfer enumerated in the Trust Deed and the Securities Act.

You and the Company are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[*Name of Transferor*]

By: \_\_\_\_\_

Name:

Title:

**ANNEX A  
TO CERTIFICATE OF EXCHANGE**

1. The Owner owns and proposes to transfer the following:

[CHECK ONE]

(a) a beneficial interest held through Euroclear/Clearstream Account  
No. \_\_\_\_\_ in the:

(i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificate.

2. After the Exchange the Owner will hold:

[CHECK ONE]

(a) a beneficial interest held through Euroclear/Clearstream Account  
No. \_\_\_\_\_ in the:

(i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificate,

in accordance with the terms of the Trust Deed.

**Schedule 2**  
**Terms and Conditions of the Bonds**

## TERMS AND CONDITIONS OF THE BONDS

*The following (other than the words in italics) is the text of the terms and conditions of the Bonds (as defined below) which will appear on the reverse of each individual registered bond certificates evidencing the Bonds:*

The issue of U.S.\$[\*] in aggregate principal amount of Zero Coupon Mandatory Convertible Bonds due 2028 (the “**Bonds**”) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”) and the right of conversion into Shares (as defined in Condition 6(A)(vi) (*Meaning of “Shares”*)) were authorised by resolutions of the board of directors of the Company (the “**Board**”) passed on or around [\*] 2023. In addition, the right of conversion into Shares was approved by resolutions of the shareholders of the Company on [\*] 2023.

The Company represents and warrants to the Bondholders (as defined below) on the Issue Date that:

- (i) the Bonds have been duly authorised by the Company and the shareholders of the Company;
- (ii) the Company has sufficient authorised but unissued share capital to satisfy the issue of such number of Shares as would be required to be issued on conversion of all the Bonds at the Conversion Price (as defined below) applicable on the Issue Date;
- (iii) the Company has been granted a mandate by its shareholders to issue and allot at the Conversion Price such number of Shares as would be required to be issued on conversion of all the Bonds;
- (iv) the Shares, when issued and delivered in the manner contemplated by these Conditions and the Trust Deed, (a) will be duly and validly issued, fully-paid and non-assessable; (b) will rank *pari passu* with, and carry the same rights in all aspects as, the other Shares then outstanding and shall be entitled to all dividends and distributions declared, paid or made thereon, in each case save as provided for in these Conditions; and (c) will be freely transferable (subject to the transfer being made in accordance with the constitutional documents of the Company), free and clear of all encumbrances;
- (v) except for (i) post-issue filing with the NDRC (as defined below) if required; and (ii) CSRC Post-Issue Filing (as defined below), no action or thing is required to be taken, fulfilled or done (including without limitation the obtaining of any consent or licence or the making of any filing or registration) in connection with the issuance of the Bonds and the issuance of Shares upon conversion of the Bonds; and
- (vi) the issue of the Bonds and the issue of the Shares on conversion of the Bonds in the manner contemplated by these Conditions do not and will not: (a) result in a breach of the constitutional documents of the Company; (b) conflict with or result in a breach of any of the terms or provisions of, or constitute a default (nor has any event occurred which, with the giving of notice and/or the passage of time and/or the fulfilment of any other requirement would result in a default by the Company) under any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company is a party or by which any of its properties are bound; (c) infringe any existing applicable law, rule or regulation of any government, governmental or regulatory body or court, domestic and foreign, having jurisdiction over the Company; or (d) infringe the rules of any stock exchange on which securities of the Company are listed.

The Bonds are constituted by a trust deed (as amended or supplemented from time to time, the “**Trust Deed**”) dated [\*] 2023 (the “**Issue Date**”) made between the Company and Madison Pacific Trust Limited as bond trustee for the Bondholders (the “**Trustee**”, which term shall, where the context so permits, include all other persons or companies for the time being acting as bond trustee under the Trust Deed) and are subject to the paying, conversion and transfer agency agreement dated [\*] 2023 (as amended or supplemented from time to time, the “**Agency Agreement**”) made between the Company, the Trustee, Madison Pacific Trust Limited as principal paying agent (the “**Principal Paying Agent**”), principal conversion and transfer agent (the “**Principal Conversion and Transfer Agent**”) and registrar (the “**Registrar**”) and the other paying agents, conversion agents and transfer agents appointed under it (each a “**Paying Agent**”, “**Conversion Agent**” or “**Transfer Agent**”, as applicable) relating to the Bonds. The Company has also entered into a calculation agency agreement dated [\*] 2023 (the “**Calculation Agency Agreement**”) with Conv-Ex Advisors Limited (the “**Calculation Agent**”), and together with the Paying Agent, Conversion Agent, Transfer Agent, the Registrar, the Principal Paying Agent and the Principal Conversion and Transfer Agent, the “**Agents**”), whereby the Calculation Agent has been appointed to make certain calculations in relation to the Bonds from time to time. References to the “**Principal Paying Agent**”, “**Principal Conversion and Transfer Agent**”, “**Registrar**”, “**Calculation Agent**” and “**Agents**” below are references to the principal paying agent, principal

conversion and transfer agent, registrar, calculation agent and agents for the time being for the Bonds. The statements in these terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement are available for inspection during normal business hours at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong of the Trustee and the Principal Conversion and Transfer Agent. The Bondholders are entitled to the benefit of, and are bound by, the Trust Deed and are deemed to have notice of all the provisions of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement applicable to them.

## **1 Status**

### **(A) Status**

The Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Company, and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable law, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

## **2 Form, Denomination and Title**

### **(A) Form and Denomination**

The Bonds are issued in registered form in the denomination of U.S.\$1,000 each and higher integral multiples of U.S.\$1. A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of Bondholders (the “**Register**”) which the Company will procure to be kept by the Registrar.

*Upon issue, the Bonds will be represented by the Global Certificates (each a “**Global Certificate**”) deposited with a common depositary for, and representing Bonds registered in the name of a nominee of, Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). These Conditions are modified by certain provisions contained in the Global Certificates.*

*So long as the Bonds are represented by the Global Certificates and the rules of Euroclear and Clearstream so permit, transfers of interests in the Bonds through the relevant clearing systems shall be in principal amounts of at least U.S.\$1,000 and higher integral multiples of U.S.\$1. For the avoidance of doubt, neither Euroclear nor Clearstream is required to monitor or enforce the minimum amount. The Bonds will be traded on Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies) for as long as the Bonds are listed on the SGX-ST.*

### **(B) Title**

Title to the Bonds passes only by transfer and registration in the Register as described in Condition 3 (*Transfers of Bonds; Issue of Certificates*). The holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions “**Bondholder**”, (in relation to a Bond) “**holder**” mean the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof) and “**Beneficial Holder**” means (1) any accountholder with entitlement to a Global Certificate (as evidenced by any certificate, report or any other information provided by the relevant clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to a Global Certificate) and having the rights and entitlements contemplated in the Trust Deed in relation to an exchange of such entitlement into a Certificate, (2) any Person (as defined in Condition 6(C)) holding a Certificate after having exchanged its entitlement to a Global Certificate for such Certificate as described in the Trust Deed or (3) any (i) accountholder with entitlement to a Global Certificate or (ii) where such accountholder holds any such entitlement to a Global Certificate on behalf of another Person (directly or indirectly), such other Person (in either case as evidenced by (x) any certificate, report or any other information provided by the relevant clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to a Global Certificate and (y) in the case of (ii) only, the



records of the accountholder). For the avoidance of doubt, any such action taken, or omitted by, such Beneficial Holder shall be construed in accordance with, and subject to, Condition 10 (*Events of Default*) as if it were the Holder.

### **3 Transfers of Bonds; Issue of Certificates**

#### **(A) Register**

The Company will cause the Register to be kept by the Registrar outside of the United Kingdom and Hong Kong and in accordance with the terms of the Agency Agreement on which the names and addresses of the Bondholders and the particulars of the Bonds held by them and of all transfers of the Bonds shall be entered. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

#### **(B) Transfer**

Subject to Condition 3(E) (*Closed Periods*) and Condition 3(F) (*Regulations*) and the terms of the Agency Agreement, a Bond may be transferred by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back of the relevant Certificate duly completed and signed by the holder, or his attorney duly authorised in writing, to the specified office of the Registrar or the specified office of any of the Transfer Agents during usual business hours. No transfer of a Bond will be valid unless and until entered on the Register.

*Transfers of interests in the Bonds evidenced by the Global Certificates will be effected in accordance with the rules of the relevant clearing systems.*

#### **(C) Delivery of New Certificates**

Each new Certificate to be issued upon a transfer of Bonds will, within three business days (as defined below) of receipt by the Registrar or, as the case may be, any other relevant Transfer Agent, of the original Certificate and the form of transfer on the back of such Certificate duly completed and signed, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder and at the Company's expense) to the address specified in the form of transfer.

*Except in the limited circumstances described in the Global Certificates, owners of interests in the Bonds will not be entitled to receive physical delivery of Certificates.*

Where only part of a principal amount of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred or converted in accordance with Condition 6 (*Conversion*), a new Certificate in respect of the Bonds not so transferred or converted will, within three business days of delivery of the original Certificate to the Registrar or other relevant Transfer Agent, be made available for collection at the specified office of the Registrar or such other relevant Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred or converted (but free of charge to the holder and at the Company's expense) to the address of such holder appearing on the Register.

For the purposes of this Condition 3, Condition 6 (*Conversion*) and Condition 8 (*Redemption, Purchase and Cancellation*), "**business day**" shall mean a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Transfer Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located and "**business hours**" shall mean the hours in which banks are open for business as aforesaid on a business day.

#### **(D) Formalities Free of Charge**

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Company or any of the Agents, but upon (i) payment (or the giving of such indemnity as the Company or any of the Agents may require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer and (ii) the Company or the Registrar or other relevant Transfer Agent being satisfied that the regulations concerning transfer of Bonds have been complied with.

#### **(E) Closed Periods**

No Bondholder may require the transfer of a Bond to be registered (i) during the period of ten days ending on (and including) any date for payment of principal pursuant to these Conditions; (ii) during the period of ten days ending on (and including) any date for redemption pursuant to Condition 8(B) (*Redemption at the Option of the Company*);

(iii) (x) (in respect of any Voluntary Conversion) after any Voluntary Conversion Notice has been delivered with respect to such Bond or (y) (in respect of the Mandatory Conversion) from (and including) (if such Bond is a Surrendered Bond) the earlier of (A) such time at which the Mandatory Conversion Reply Form has been delivered with respect to such Bond and (B) the Mandatory Conversion Record Date (as defined in Condition 6(A)(ii) (*Mandatory Conversion*)) or (if such Bond is an Unsurrendered Bond) the Mandatory Conversion Record Date, or (iv) during such other periods during which the Company may be required to close its stock transfer books under any applicable law (each such period, a “**Closed Period**”).

**(F) Regulations**

All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer of Bonds scheduled to the Agency Agreement. Such regulations may be changed by the Company, with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be mailed (free of charge to the Bondholder and at the Company’s expense) by the Registrar to any Bondholder upon request in writing.

**4 Covenants**

**(A) Notification to CSRC**

The Company undertakes that it will, within the prescribed time period, (i) file or cause to be filed with the CSRC the requisite information and documents in accordance with the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies (境内企业境外发行证券和上市管理试行办法) issued by the CSRC and effective as of 31 March 2023 (the “**CSRC Post-Issue Filing**”) and (ii) comply with all applicable PRC laws, rules and regulations in connection with the Bonds (including, but not limited to, any rules issued by the CSRC from time to time).

The Trustee may rely conclusively on any Officers’ Certificate signed by the Company in relation to the CSRC Post-Issue Filing and shall have no obligation to monitor or ensure the submission of the CSRC Post-Issue Filing within the prescribed time period, to assist with the CSRC Post-Issue Filing or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the CSRC Post-Issue Filing or any translation thereof or to give notice to the Bondholders in accordance with Condition 16 (*Notices*) confirming the completion of the submission of the CSRC Post-Issue Filing, and shall not be liable to Bondholders or any other person for not doing so.

**(B) Definitions**

In these Conditions (unless otherwise stated):

“**business day**” means a day (other than a Saturday, Sunday or public holiday in Hong Kong and New York) upon which commercial banks are generally open for business and settlement of Hong Kong dollar and United States dollar payments in Hong Kong and New York.

“**CSRC**” means the China Securities Regulatory Commission of the PRC or its local counterparts.

“**Hong Kong**” means Hong Kong Special Administrative Region of the People’s Republic of China.

“**month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (i) subject to paragraph (iii) below, if the numerically corresponding day is not a business day, that period shall end on the next business day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding business day;
- (ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last business day in that calendar month; and
- (iii) if the Issue Date is the last business day of a calendar month, that period shall end on the last business day of the calendar month in which that period is to end.

The above rules will only apply to the last month of any period.

“**NDRC**” means the National Development and Reform Commission of the PRC or its local counterparts.

“**Officer**” means one of the executive officers of the Company.

“**Officers’ Certificate**” means a certificate in English signed by two Officers.

“**PRC**” means the People’s Republic of China and for the sole purpose of these Conditions, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan.

## 5 Interest

The Bonds are not interest bearing.

## 6 Conversion

The Bonds are convertible into Shares on the terms and subject to these Conditions.

### (A) Voluntary Conversion and Mandatory Conversion

- (i) *Voluntary Conversion*: Subject as hereinafter provided, each Bondholder has the right (the “**Voluntary Conversion Right**”) to convert:
- (a) (other than where such Bondholder is the Strategic Investor) any Bond held by it into Shares (as defined in Condition 6(A)(vi) (*Meaning of “Shares”*)) at any time during the Voluntary Conversion Period (as defined below); or
  - (b) (where such Bondholder is the Strategic Investor) all, but not some only, of its Bonds on the relevant Conversion Date into Shares in accordance with Condition 6(A)(ii) (*Mandatory Conversion*) at any time during the Strategic Investor Conversion Period (as defined below).

(and any conversion of a Bond into Shares pursuant to an exercise of the Voluntary Conversion Right pursuant to (a) or (b) above, a “**Voluntary Conversion**”).

Any Bond that remains outstanding following the Voluntary Conversion Period, and unless otherwise redeemed pursuant to these Conditions, shall be converted into Shares under the Mandatory Conversion (as defined below).

“**Voluntary Conversion Period**” means the period from and including [●] [*Note: 12 months from RED*] to and including the Voluntary Conversion Period End Date.

“**Voluntary Conversion Period End Date**” means (a) the date falling ten business days prior to the Maturity Date; or (b) if any Bond shall have been called for redemption by the Company before the Maturity Date, then the date falling ten business days prior to the date fixed for redemption thereof, or (c) if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(C) (*Redemption for a Relevant Event*), then the business day prior to the giving of such notice.

“**Strategic Investor**” means the person(s) identified by the Company, in respect of whom the Board (at a meeting that all the Board members have the opportunity to attend) has made a determination in good faith that such person is likely to develop a material strategic relationship with the Company, including without limitation an acquisition of another entity or assets, in connection with and related to the Company’s present or future business, and its affiliates, and notified to the Trustee and the Bondholders at any time on or prior to the date falling 14 days after the date on which such person(s) have been so identified.

“**Strategic Investor Conversion Period**” means the period from and including the Issue Date to and including the Voluntary Conversion Period End Date.

- (ii) *Mandatory Conversion*: Subject as hereinafter provided, each Bond outstanding (and in respect of which the Voluntary Conversion Right has not been exercised on or before the Voluntary Conversion Period End Date) on the business day immediately following the Voluntary Conversion Period End Date (the “**Mandatory Conversion Record Date**”) shall be automatically and mandatorily converted into Shares on the Maturity Date (the “**Mandatory Conversion**”).

Upon the Mandatory Conversion on the Maturity Date, all such Bonds will be cancelled without any further instruction from any person. None of the Trustee and the Agents shall be responsible for the conversion of or monitoring or ensuring the conversion and delivery of the Bonds into Shares pursuant to this Condition 6(A) (*Voluntary Conversion and Mandatory Conversion*), which shall be the sole responsibility of the Company.

- (iii) *Number of Shares to be issued upon conversion, Maximum Number of Shares:* The number of Shares to be issued on conversion of a Bond will be determined (subject to Condition 6(A)(iv) (*Fractions of Shares*)) by dividing the principal amount of such Bond (translated into Hong Kong dollars at the fixed rate of HK\$7.7778 = U.S.\$1.00 (the “**Fixed Exchange Rate**”) by the Conversion Price (as defined in Condition 6(A)(v) (*Conversion Price*)) in effect on the relevant Conversion Date (as defined in Condition 6(B)(v) (*Mandatory Conversion Date*)), subject as provided in the immediately following paragraph.

If more than one Bond is converted pursuant to any one Voluntary Conversion Notice or Mandatory Conversion Reply Form, the number of Shares to be issued upon such conversion will be determined (subject to Condition 6(A)(iv) (*Fractions of Shares*)) by dividing the aggregate principal amount of such Bonds (translated into Hong Kong dollars at the Fixed Exchange Rate) by the Conversion Price in effect on the relevant Conversion Date. Notwithstanding anything to the contrary in these Conditions, the Company shall not be required to issue Shares pursuant to conversion of one or more Bonds pursuant to any one Voluntary Conversion Notice or Mandatory Conversion Reply Form (as the case may be) to any person designated for such purpose in such Voluntary Conversion Notice or Mandatory Conversion Reply Form (as the case may be) in excess of the Maximum Number of Shares per each Bond so converted (and to the extent the number of Shares to be issued on conversion as calculated pursuant to this Condition 6(A)(iii) would exceed the Maximum Number of Shares per each Bond so converted, the Company shall only be required to issue the Maximum Number of Shares per each Bond so converted and the relevant Bondholder shall not be entitled to any cash adjustment or other compensation in lieu of the number of Shares in excess of the Maximum Number of Shares per each Bond so converted not so delivered).

A Voluntary Conversion Right may only be exercised, and a Mandatory Conversion Reply Form may only be delivered, in respect of one or more Bonds.

“**Maximum Number of Shares**” means, in respect of any conversion of a Bond, the maximum number of Shares issuable (if any) by the Company to the holder of such Bond pursuant to these Conditions as would not, unless a “whitewash waiver” or similar waiver or dispensation has been granted to such Bondholder by the Hong Kong Securities and Futures Commission, trigger a mandatory offer obligation by that Bondholder or any person(s) acting in concert with it under rule 26 of the Hong Kong Code on Takeovers and Mergers.

- (iv) *Fractions of Shares:* Fractions of Shares will not be issued on Voluntary Conversion or Mandatory Conversion and no cash adjustments will be made in respect thereof. However, if more than one Bond is converted pursuant to any one Voluntary Conversion Notice or Mandatory Conversion Reply Form (as the case may be), the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted as provided in Condition 6(A)(iii) (*Number of Shares to be issued upon conversion*), and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares occurring after [\*] 2023 [**Note: RED**] which reduces the number of Shares outstanding, the Company will upon conversion of such Bonds pay in cash in United States dollars a sum (but only if such sum exceeds U.S.\$100) equal to the product (rounded to the nearest integral multiple of U.S.\$0.01 (with U.S.\$0.005 being rounded upwards)) of (i) any such fraction of a Share so rounded down and (ii) (a) the Closing Price on the Trading Day immediately preceding the relevant Conversion Date or (b) if such Trading Day falls prior to the 14th day prior to the relevant Conversion Date, the Conversion Price on such Conversion Date. Any such sum shall be due and payable on the date the Shares are delivered pursuant to Condition 6(B)(vii) (*Delivery of Shares*)).
- (v) *Conversion Price:* The price at which Shares will be issued upon an exercise of Voluntary Conversion Rights or upon Mandatory Conversion (the “**Conversion Price**”) will initially be [HK\$0.66] per Share but will be subject to adjustment in the manner provided in Condition 6(C) (*Adjustments to Conversion Price*). [**Note: initial conversion price will be such price as would result in a day 1 conversion into 29.9% of the company**]
- (vi) *Meaning of “Shares”:* As used in these Conditions, the expression “**Shares**” means ordinary shares of par value HK\$0.01 each in the share capital of the Company or shares of any class or classes resulting from any subdivision, consolidation or re-classification of such ordinary shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company.

**(B) Conversion Procedure**

**(i) Voluntary Conversion**

To exercise the Voluntary Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit (at his own expense) during normal business hours on any business day at the specified office of any Conversion Agent, on which the Voluntary Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable, a notice of conversion (a “**Voluntary Conversion Notice**”) with a copy to the Calculation Agent, in the form attached as Schedule A to the Agency Agreement (for the time being current) obtainable from the specified office of the Conversion Agent, together with the relevant Certificate in respect of such Bond and confirmation of any amounts required to be paid by the Bondholder under Condition 6(B)(vi) (*Stamp Duty etc.*).

Failure by the relevant Bondholder to surrender a Voluntary Conversion Notice together with the relevant Certificate(s) as provided above will result in the relevant exercise of the Voluntary Conversion Right to be null and void.

Any Voluntary Conversion Notice once delivered shall be irrevocable unless the Company consents in writing to its withdrawal.

**(ii) Mandatory Conversion**

The Company shall deliver a duly executed mandatory conversion notice in the form attached as Schedule B to the Agency Agreement (the “**Mandatory Conversion Notice**”) to the Bondholders in accordance with Condition 16 (*Notices*), the Trustee and the Agents no later than ten business days prior to the Maturity Date.

Upon receiving such Mandatory Conversion Notice and no later than the date (the “**Mandatory Conversion Reply Form Cut-Off Date**”) falling five business days prior to the Maturity Date, each Bondholder must (other than in respect of any Bond held by it and in respect of which the Voluntary Conversion Right has or will be exercised on or prior to the Voluntary Conversion Period End Date) complete, execute and deposit (at his own expense) during normal business hours on any business day at the specified office of any Conversion Agent, with a copy to the Calculation Agent (at the place where the Certificate(s) evidencing the Bonds the subject of the relevant Mandatory Conversion Reply Form is surrendered), a reply form (the “**Mandatory Conversion Reply Form**”) in the form obtainable from the specified office of the Conversion Agent, together with the relevant Certificate in respect of the Bonds that are the subject of the relevant Mandatory Conversion Reply Form and pay any amounts required to be paid by the Bondholder under Condition 6(B)(vi) (*Stamp Duty etc.*) (the “**Surrendered Bonds**”).

In the event that a holder of any Bonds fails to comply with the foregoing requirements on or before the Mandatory Conversion Reply Form Cut-Off Date, (such Bonds being the “**Unsurrendered Bonds**”), the relevant Shares will be issued to a person or persons qualified to hold such securities (each, a “**Relevant Person**”) selected by the Company (acting reasonably) on the relevant Registration Date (as defined in Condition 6(B)(viii) (*Registration Date*)).

Upon issue of the relevant Shares to or to the order of the Relevant Person(s), the Bondholders shall have no further rights to delivery of Shares under the Unsurrendered Bonds and their entitlement shall instead be to the net proceeds of sale of the relevant Shares, subject to and in accordance with this Condition 6(B)(ii). The Company shall procure that all of such Shares shall be sold by or on behalf of the Relevant Person(s) (or such nominees) as soon as practicable based on advice from an Independent Financial Advisor, and (subject to any necessary consents being obtained and to the deduction by or on behalf of the Relevant Person(s) and/or the holder of the relevant Unsurrendered Bonds of any amount payable in respect of its or their liability to taxation and the payment of any capital, stamp, issue or registration and transfer taxes or duties (if any) and any fees or costs reasonably and properly incurred (including without limitation in respect of the appointment of the Independent Financial Advisor and the Relevant Person(s)) by or on behalf of the Company and/or Relevant Person(s) and/or the holder of the relevant Unsurrendered Bonds in connection with the allotment and sale thereof). The net proceeds of sale shall be distributed to the holders of the Unsurrendered Bonds in proportion to the aggregate principal amount of such Unsurrendered Bonds held by each such relevant Bondholder in accordance with Condition 7(A) (*Principal*) or in such other manner as the Company shall determine and notify to Bondholders in accordance with Condition 16 (*Notices*) and the Conversion Agent. The Company and the Relevant Person(s) shall be under no obligation to obtain the best price in the sale of such Shares.

Any such cash amount paid as aforesaid to a holder pursuant to this Condition 6(B)(ii) shall be treated for all purposes as discharging the Company's obligations in respect of the conversion of the relevant Bonds, and all rights of each relevant Bondholder to any amount in respect of such Bonds shall be extinguished upon the payment of the relevant amount to such Bondholder in accordance with this Condition 6(B)(ii).

The Trustee and the Agents shall have no obligation or liability whatsoever to the Company, any Bondholders or any other person in respect of the selection and appointment of the Relevant Person(s), any sale of the Shares, whether for the timing of any such sale or the price at which any such Shares are sold, any inability to sell any such Shares, the rate of exchange at which any amount is converted into any currency or for the timing of any distribution or otherwise.

(iii) *Calculations by the Calculation Agent*

- (a) As soon as practicable, and in any case within three business days of the date of the relevant Conversion Date, the Calculation Agent shall calculate and determine the applicable Conversion Price at which Shares are to be issued in respect of each conversion and the number of Shares to be so issued and it shall notify the Trustee, the Principal Paying Agent, the Principal Conversion and Transfer Agent and the Company in writing of such calculations and determinations.
- (b) The Calculation Agent shall (pursuant to and subject as provided in the Calculation Agency Agreement) make all calculations and determinations as are expressly specified to be made by it in these Conditions. All calculations and determinations made by the Calculation Agent, or, as the case may be, any Independent Financial Advisor appointed in connection with the Bonds, shall (save in the case of manifest error) be final and binding on the Company, the Trustee, the Bondholders and the Agents. The Calculation Agent shall act solely upon the request from, and exclusively as agent of, the Company and in accordance with these Conditions. Neither the Calculation Agent (acting in such capacity) nor any Independent Financial Advisor appointed in connection with the Bonds (acting in such capacity) will thereby assume any obligations towards or relationship of agency or trust and shall not be liable and shall incur no liability in respect of anything done, or omitted to be done in good faith, in such capacity as against the Trustee, the Bondholders or any Agent.
- (c) The Agents may consult, at the expense of the Company in accordance with the terms of the Agency Agreement and the Calculation Agency Agreement, as applicable, on any matter (including, but not limited to, any legal matter), any legal or other professional adviser and they shall be able to rely upon, and they shall not be liable and shall incur no liability as against the Bondholders in respect of anything done, or omitted to be done, relating to that matter in accordance with that adviser's opinion.
- (d) In the event that the Calculation Agent has not notified the Trustee, the Principal Paying Agent and the Principal Conversion and Transfer Agent or the Company within the period as required pursuant to Condition 6(B)(iii)(a), the Company shall make a determination of the applicable Conversion Price at which Shares are to be issued in respect of each conversion and the number of Shares to be so issued and any such determination made by the Company, in the absence of manifest error, shall be final and conclusive.

(iv) *Voluntary Conversion Date:*

In respect of a Voluntary Conversion, the conversion date in respect of a Bond (the “**Voluntary Conversion Date**”) will be deemed to be the business day immediately following the latest of:

- (a) the date of the surrender of the Certificate in respect of such Bond and delivery of such Voluntary Conversion Notice (if they are not surrendered and delivered on the same day); and
- (b) if applicable, the date of making any payment or giving any indemnity under these Conditions in connection with the exercise of such Voluntary Conversion Rights.

(v) *Mandatory Conversion Date:*

In respect of the Mandatory Conversion, the conversion date in respect of a Bond (the “**Mandatory Conversion Date**”) shall be the date on which the Mandatory Conversion Notice is delivered by the Company to the Bondholders, the Trustee and the Agents pursuant to Condition 6(B)(ii) (*Mandatory Conversion*).

“**Conversion Date**” means (i) in respect of any Voluntary Conversion, the Voluntary Conversion Date in respect of the Bond the subject of such Voluntary Conversion or (ii) in respect of the Mandatory Conversion, the Mandatory Conversion Date.

- (vi) *Stamp Duty etc.*: A converting Bondholder must pay to the relevant authorities any taxes and capital, stamp, issue and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in the Cayman Islands, Hong Kong or any other relevant jurisdiction in connection with the creation, issue, offering or sale of the Bonds or the execution or delivery of the Trust Deed or the Agency Agreement and the Calculation Agency Agreement and, if relevant, in the place of the Alternative Stock Exchange, by the Company in respect of the allotment and issue of Shares and listing of the Shares on the Hong Kong Stock Exchange or the Alternative Stock Exchange on conversion) (the “**Taxes**”) and such Bondholder must pay all, if any, Taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion but shall not be responsible for any other expenses arising on the issue of Shares on conversion of Bonds. Neither the Trustee nor the Agents are under any obligation to determine whether a Bondholder is liable to pay any Taxes including capital, stamp, issue, registration or similar taxes and duties or the amounts payable (if any) in connection with this Condition 6(B)(vi).
- (vii) *Delivery of Shares*:
  - (a) *Voluntary Conversion*

In respect of any exercise of Voluntary Conversion Rights, as soon as practicable, and in any event not later than five business days after the relevant Conversion Date, the Company will:

- (1) register the person or persons designated for such purpose in the relevant Voluntary Conversion Notice as holder(s) of the relevant number of Shares in the Company’s share register; and
- (2) either:
  - (i) if the Bondholder has so requested in the relevant Voluntary Conversion Notice and to the extent permitted under the rules and procedures of the Central Clearing and Settlement System of Hong Kong (the “**CCASS**”) effective from time to time, take all necessary actions to procure that Shares are delivered through the CCASS for so long as the Shares are listed on the Hong Kong Stock Exchange; or
  - (ii) make such share certificate or certificates registered in the name of such person or persons available for collection at the office of the Company’s share registrar in Hong Kong (currently being Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong) as may from time to time be notified to Bondholders in accordance with Condition 16 (*Notices*) and the Conversion Agent or, if so requested in the relevant Voluntary Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such share certificate or certificates are sent) such share certificate or certificates to the person and at the place specified in the relevant Voluntary Conversion Notice,

together (in either case) with any cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof. In all cases a single certificate will be issued in respect of all Shares issued on conversion of Bonds subject to the same Voluntary Conversion Notice and which are to be registered in the same name.

- (b) *Mandatory Conversion*

Subject to Condition 6(B) (*Conversion Procedure*), in respect of the Mandatory Conversion, as soon as practicable, and in any event not later than the Maturity Date, the Company will:

- (1) in the case of the Surrendered Bonds, register the person or persons designated for such purpose in the Mandatory Conversion Reply Form or (in the case of Unsurrendered Bonds) the Relevant Person(s) in each case as holder(s) of the relevant number of Shares in the Company’s share register; and

(2) either:

- (i) (in the case of Surrendered Bonds) if the Bondholder has so requested in the Mandatory Conversion Reply Form or (in the case of Unsurrendered Bonds) if the Relevant Person(s) have so requested and to the extent permitted under the rules and procedures of the CCASS effective from time to time, take all necessary actions to procure that Shares are delivered through the CCASS for so long as the Shares are listed on the Hong Kong Stock Exchange; or
- (ii) make such share certificate or certificates registered in the name of such person or persons available for collection at the office of the Company's share registrar in Hong Kong (currently being Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) as may from time to time be notified to Bondholders in accordance with Condition 16 (*Notices*) and the Conversion Agent or, (in the case of Surrendered Bonds) if so requested in the relevant Mandatory Conversion Reply Form or (in the case of Unsurrendered Bonds) if so requested by the Relevant Person(s), will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such share certificate or certificates are sent) such share certificate or certificates to the person and at the place specified in the Mandatory Conversion Reply Form or (in the case of Unsurrendered Bonds) as instructed by the Relevant Person(s),

together (in either case) with any cash required to be delivered upon conversion and such assignments and other documents (if any) as may be required by law to effect the transfer thereof.

In all cases a single certificate will be issued in respect of all Shares issued on conversion of Bonds (in the case of Surrendered Bonds) pursuant to any one Mandatory Conversion Reply Form and which are to be registered in the same name or (in the case of Unsurrendered Bonds) which are to be registered in the same name.

- (viii) *Registration Date*: (in respect of a Voluntary Conversion) the person or persons designated in the Voluntary Conversion Notice or (in respect of the Mandatory Conversion and in the case of Surrendered Bonds) the Mandatory Conversion Reply Form, or (in the case of Unsurrendered Bonds) the Relevant Person(s) will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Company's register of members (the "**Registration Date**"). The Shares issued upon conversion of the Bonds will be fully-paid and will in all respects rank *pari passu* with all other Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date.
- (ix) *Retroactive Adjustments*: If the Registration Date in relation to any Voluntary Conversion or Mandatory Conversion would be on or after the date of the first public announcement of the terms of, or if a record date is fixed, the record date for, any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(C) (*Adjustments to Conversion Price*), in circumstances where the Conversion Date would fall before the relevant adjustment becomes effective under Condition 6(C) (*Adjustments to Conversion Price*) (a "**Retroactive Adjustment**"), upon the relevant adjustment becoming effective the Company shall, subject to Condition 6(A)(iii), procure the issue to the person or persons designated for such purpose in (in respect of a Voluntary Conversion) the Voluntary Conversion Notice or (in respect of the Mandatory Conversion) the Mandatory Conversion Reply Form (in the case of Surrendered Bonds) or to the Relevant Person(s) (in the case of Unsurrendered Bonds) (subject to applicable exchange control or other laws or other regulations)) of such additional number of Shares ("**Additional Shares**") as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant date of the first public announcement or, as the case may be, the relevant record date, and in such event and in respect of such Additional Shares references in this Condition 6(B) to the Conversion Date shall (where the context so requires) be deemed to refer to the date upon which the Retroactive Adjustment becomes



effective (notwithstanding that the date upon which it becomes effective falls after the relevant Conversion Date, the Voluntary Conversion Period End Date or the Maturity Date).

- (x) *Equivalent Amounts*: If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Bond, but before the relevant Registration Date, the Company will (unless and to the extent the same gives rise to the delivery of Additional Shares) pay to the converting Bondholder or his designee an amount in Hong Kong dollars (the “**Equivalent Amount**”) equal to the Fair Market Value (as defined in Condition 6(C) (*Adjustments to Conversion Price*)) of any such dividend or other distribution to which such Bondholder would have been entitled had he on that record date been such a shareholder of record and will make such payment to such Bondholder at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than five business days thereafter. Any such dividend or distribution shall be paid within such time period by transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong, in accordance with instructions given by (in respect of a Voluntary Conversion) the relevant Bondholder in the Voluntary Conversion Notice or (in respect of the Mandatory Conversion) the Mandatory Conversion Reply Form (in respect of the Mandatory Conversion).

Save as set out in these Conditions, neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify the Equivalent Amount payable under this Condition 6(B) and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

**(C) Adjustments to Conversion Price**

Subject to the provisions under this Condition 6(C), the Conversion Price will be subject to adjustment (as determined by the Calculation Agent unless otherwise specified) in the following events:

- (i) *Consolidation, Subdivision, Redesignation or Reclassification*: If and whenever there shall be any consolidation, subdivision, redesignation or reclassification affecting the number of Shares in issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A}{B}$$

Where:

- A is the aggregate number of Shares in issue immediately before such consolidation, subdivision redesignation or reclassification; and
- B is the aggregate number of Shares in issue immediately after such consolidation, subdivision redesignation or reclassification.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(i), the date such consolidation, subdivision, redesignation or reclassification takes effect, or if a record date is fixed therefor, the business day falling immediately after such record date.

- (ii) *Capitalisation of Profits or Reserves*:

- (a) If and whenever the Company shall issue any Shares credited as fully-paid to the holders of Shares (the “**Shareholders**”) as a class by way of capitalisation of profits or reserves (including any share premium account) including Shares paid up out of distributable profits or reserves and/or share premium account (except for any Scrip Dividend (as defined in this Condition 6(C))), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A}{B}$$

Where:

- A is the aggregate number of Shares in issue immediately before such issue; and
- B is the aggregate number of Shares in issue immediately after such issue.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(ii)(a), the date of issue of such Shares or if a record date is fixed therefor, the business day falling immediately after such record date.

- (b) In the case of a Scrip Dividend where the aggregate value of the Shares comprising such Scrip Dividend as determined by reference to the Current Market Price (as defined in this Condition 6(C)) per Share on the date of announcement of the terms of such Scrip Dividend (for the purpose of this Condition 6(C)(ii), the “**Determination Date**”) exceeds the Fair Market Value of the Relevant Cash Dividend (as defined in this Condition 6(C)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the Determination Date;
- B is the aggregate number of Shares that such Fair Market Value would purchase at such Current Market Price; and
- C is the aggregate number of Shares comprising such Scrip Dividend.

or (at the Company’s sole discretion, following consultation with the Calculation Agent) by making such other adjustment to the Conversion Price to give effect to the foregoing as an Independent Financial Advisor shall consider appropriate to give the intended result.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(ii)(b), the date of issue of such Shares issued by way of Scrip Dividend (or, if none, the date of payment of the Relevant Cash Dividend) or if a record date is fixed therefor, the business day falling immediately after such record date.

For the purpose of the above, the Fair Market Value of the Relevant Cash Dividend shall (subject as provided in the definition of “Fair Market Value”) be determined as at the Determination Date or, if later, the first date as at which the Fair Market Value of the Relevant Cash Dividend is capable of being determined as provided herein.

- (iii) *Capital Distributions:* If and whenever the Company shall pay or make any Capital Distribution to Shareholders as a class (except to the extent that the Conversion Price falls to be adjusted under Condition 6(C)(ii) (*Capitalisation of Profits or Reserves*) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which the Capital Distribution is first publicly announced; and
- B is the Fair Market Value per Share of the Capital Distribution.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(iii), the date that such Capital Distribution is actually made or paid or if a record date is fixed therefor, the business day falling immediately after such record date.

For the purpose of the above, the Fair Market Value of the Capital Distribution shall (subject as provided in the definition of “Fair Market Value”) be determined as at the date on which the Capital Distribution is first publicly announced or, if later, the first date as at which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.

In making any calculation pursuant to this Condition 6(C)(iii), such adjustments (if any) shall be made as (if the Calculation Agent determines in its sole discretion it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Financial Advisor (as defined in this Condition 6(C)) may consider appropriate to reflect (1) any consolidation or subdivision of the Shares, (2) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event, or (3) the modification of any rights to dividends of Shares.

- (iv) *Rights Issues of Shares or Options over Shares:* If and whenever the Company shall issue Shares to Shareholders as a class by way of rights, or issue or grant to Shareholders as a class by way of rights, options, warrants or other rights to subscribe for or purchase or otherwise acquire any Shares, in each case at a consideration receivable per Share which is less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant (for the purpose of this Condition 6(C)(iv), the “**Determination Date**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the Determination Date;
- B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and
- C is the aggregate number of Shares to be issued or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights at the initial purchase, subscription or acquisition price or rate.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(iv), the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the business day falling immediately after such record date.

- (v) *Rights Issues of Other Securities:* If and whenever the Company shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value per Share of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(v), the date of issue of the securities or grant of such rights, options or warrants (as the case may be) or where a record date is set, the business day falling immediately after such record date.

For the purpose of the above, Fair Market Value shall (subject as provided in the definition of “Fair Market Value”) be determined as at the date on which the terms of such issue or grant are publicly announced, or if later, the first date as at which the Fair Market Value of the aggregate rights attributable to the Shares in relation to such issue or grant is capable of being determined as provided herein.

- (vi) *Issues at less than Current Market Price:* If and whenever the Company shall issue (otherwise than as mentioned in Condition 6(C)(iv) (*Rights Issues of Shares or Options over Shares*) above) wholly for cash or for no consideration any Shares (other than Shares issued pursuant to a Voluntary Conversion or a Mandatory Conversion or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or shall issue or grant (otherwise than as mentioned in Condition 6(C)(iv) (*Rights Issues of Shares or Options over Shares*) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares, in each case at a consideration receivable per Share which is less than 95 per cent. of the Current Market Price on the date of the first public announcement of the terms of such issue (for the purpose of this Condition 6(C)(vi), the “**Determination Date**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the Determination Date;
- B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such Current Market Price per Share; and
- C is the aggregate number of Shares to be issued or, as the case may be, the maximum number of Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights at the initial purchase, subscription or acquisition price or rate.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(vi), the date of issue of such additional Shares or, as the case may be, the issue of such options, warrants or other rights.

- (vii) *Other Issues at less than Current Market Price:* Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this Condition 6(C)(vii), if and whenever the Company or any of its Subsidiaries (otherwise than as mentioned in Conditions 6(C)(iv) (*Rights Issues of Shares or Options over Shares*), 6(C)(v) (*Rights Issues of Other Securities*) or 6(C)(vi) (*Issues at less than Current Market Price*)) or (at the direction or request of or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity, shall issue wholly for cash or for no consideration any securities (other than the Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Company upon conversion, exchange or subscription at a consideration receivable per Share which is less than 95 per cent. of the Current Market Price on the date of the first public announcement of the terms of issue of such securities (for the purpose of this Condition 6(C)(vii), the “**Determination Date**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the Determination Date;
- B is the number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and

- C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(vii), the date of issue of such securities.

- (viii) *Modification of Rights of Conversion etc.*: If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 6(C)(vii) (*Other Issues at less than Current Market Price*) (other than in accordance with the terms of such securities) so that the consideration receivable per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 95 per cent. of the Current Market Price on the date of first public announcement of the proposals for such modification (for the purpose of this Condition 6(C)(viii), the “**Determination Date**”), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the Determination Date;
- B is the maximum number of Shares which the aggregate consideration receivable by the Company for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share on the date of such first public announcement or, if lower, the existing conversion, exchange or subscription price of such securities; and
- C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as (if the Calculation Agent determines in its sole discretion it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Financial Advisor considers appropriate (if at all) for any previous adjustment under this Condition 6(C)(viii) or Condition 6(C)(vii) (*Other Issues at less than Current Market Price*).

Such adjustment shall become effective on the Effective Date.

“**Effective Date**” means, in respect of this Condition 6(C)(viii), the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

- (ix) *Other Offers to Shareholders*: If and whenever the Company or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Company or any of its Subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted (or, where applicable, would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Share on the relevant day) under Condition 6(C)(iv) (*Rights Issues of Shares or Options over Shares*), Condition 6(C)(v) (*Rights Issues of Other Securities*), Condition 6(C)(vi) (*Issues at less than Current Market Price*) or Condition 6(C)(vii) (*Modification of Rights of Conversion etc.*)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which such issue, sale or distribution is publicly announced; and

B is the Fair Market Value of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the Effective Date.

**“Effective Date”** means, in respect of this Condition 6(C)(ix), the date of issue, sale or distribution of the securities.

For the purpose of the above, Fair Market Value shall (subject as provided in the definition of “Fair Market Value”) be determined as at the date on which the terms of such issue, sale or distribution of securities are first publicly announced or, if later, the first date as at which the Fair Market Value of the portion of the aggregate rights attributable to the Shares is capable of being determined as provided herein.

- (x) *Other Events*: If the Company (in consultation with the Calculation Agent) determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 6, the Company shall, at its own expense, consult an Independent Financial Advisor to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Financial Advisor such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that where events or the circumstances giving rise to any adjustment pursuant to this Condition 6(C) have already resulted or will result in an adjustment to the Conversion Price or where the circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6(C) as may be advised by the Independent Financial Advisor to be in its opinion appropriate to give the intended result. Notwithstanding the foregoing, the per Share value of any such modification shall not exceed the per Share value of the dilution in the Shareholders’ interest in the Company’s equity caused by such events or circumstances.

In this Condition 6(C), where the events or circumstances giving rise to any adjustment pursuant to any of the above adjustments under this Condition 6(C) have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6 as may be advised by the Independent Financial Advisor to be in its opinion appropriate to give the intended result.

In these Conditions (unless otherwise stated):

**“Alternative Stock Exchange”** means at any time, in the case of the Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, such other internationally recognised stock exchange which is the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in.

**“Capital Distribution”** means:

- (i) the aggregate distribution of assets in specie by the Company for any financial period whenever paid or made and however (and for these purposes a distribution of assets in specie includes, without limitation, an issue of Shares or other securities credited as fully or partly paid by way of capitalisation of reserves, but excludes any Shares credited as fully-paid as mentioned under Condition 6(C)(ii)(a) and any Scrip Dividend); and
- (ii) the aggregate cash dividend or distribution on a gross basis (including for this purpose any Relevant Cash Dividend) of any kind by the Company for any financial period (whenever paid and however described),

*provided that* a purchase or redemption of Shares by or on behalf of the Company (or a purchase of Shares by or on behalf of a Subsidiary of the Company) shall constitute a Capital Distribution if the weighted average price or consideration per Share (before expenses) on any one day (a **“Specified Share Day”**) in respect of such purchases or redemptions (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds the Current Market Price of a Share by more than 5 per cent. on the date (the **“Reference Date”**) which is either (1) on the Specified Share Day, or (2) where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases or redemptions approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase Shares at some future date at a specified price or where a tender offer is made, the date of such announcement or, as the case may be, the date of first public announcement of such tender offer (and regardless of whether or not a price

per Share, a minimum price per Share or a price range or a formula for the determination thereof is or is not announced at such time), in which case such purchase or redemption shall be deemed to constitute a Capital Distribution in the Relevant Currency pursuant to limb (i) of this definition of “Capital Distribution” (and the Reference Date in respect thereof shall be deemed to be the date of first public announcement of the terms of such Capital Distribution) in an amount equal to the amount by which the aggregate consideration paid (before expenses) in respect of such Shares purchased or redeemed (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (A) 105 per cent. of such Current Market Price and (B) the number of Shares so purchased or redeemed.

“**Closing Price**” means, in respect of a Share or any other security, option, warrant or other right or asset, on any Trading Day in respect thereof, the closing price on the Relevant Exchange on such Trading Day of a Share or, as the case may be, such other security, option, warrant or other right or asset published by or derived from Bloomberg page HP (or any successor ticker page) (setting ‘*Last Price*’, or any other successor setting and using values not adjusted for any event occurring after such Trading Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share or such other security, option, warrant or other right or asset (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is 3883 HK Equity HP), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by (if the Calculation Agent determines in its sole discretion it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Financial Advisor on such Trading Day.

“**Common Stock**” means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding on the Issue Date, and include, without limitation, all series and classes of such common stock or ordinary shares.

“**Current Market Price**” means, in respect of a Share on a particular date, the arithmetic average of the Volume Weighted Average Prices for one Share for the 10 consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that:

- (a) for the purposes of determining the Current Market Price pursuant to Conditions 6(C)(iv) (*Rights Issue of Shares or Options over Shares*) or 6(C)(vi) (*Issues at less than Current Market Price*) in circumstances where the relevant event relates to an issue of Shares, if at any time during the said 10 Trading Day-period (which may be on each of such 10 Trading Days) the Shares shall have been quoted ex-dividend (or ex- any other entitlement) and/or during some other part of that period (which may be on each of such 10 Trading Days) the Shares shall have been quoted cum-dividend (or cum- any other entitlement) then:
  - (i) if the Shares to be issued in such circumstances do not rank for the dividend (or entitlement) in question, the Volume Weighted Average Prices on the dates on which the Shares shall have been quoted cum-dividend shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend (or other entitlement) per Share as at the date of first public announcement of the terms of such dividend (or other entitlement); or
  - (ii) if the Shares to be issued in such circumstances rank for the dividend (or other entitlement) in question, the Volume Weighted Average Price on the dates on which the Shares shall have been quoted ex-dividend (or other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of that dividend (or other entitlement) per Share as at the date of first public announcement of the terms of such dividend (or other entitlement);
- (b) for the purpose of determining the Current Market Price of any Shares which are to be issued or may be issued pursuant to a Scrip Dividend pursuant to Condition 6(C)(ii)(b), if on any day during the said 10 Trading Day-period the Volume Weighted Average Prices of the Shares shall have been based (A) on a price cum the Relevant Cash Dividend (and/or any other dividend or other entitlement which the Shares that may be issued pursuant to terms of such Scrip Dividend do not rank for), the Volume Weighted Average Price of a Share on any such day shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of the Relevant Cash Dividend (and/or such other dividend or other entitlement) (as at the

date of first public announcement of the terms of such Relevant Cash Dividend) per Share entitled to the Relevant Cash Dividend (and/or such other dividend or other entitlement) or (B) on a price ex- the Relevant Cash Dividend, the Volume Weighted Average Price of a Share on any such day shall for the purposes of this definition be deemed to be the amount thereof (x) multiplied by the sum of one and the number of Shares which are to be issued or may be issued pursuant to such Scrip Dividend per Share entitled to the Relevant Cash Dividend and (y) reduced by the Fair Market Value of the Relevant Cash Dividend (as at the date of first public announcement of the terms of such Relevant Cash Dividend) per Share entitled to the Relevant Cash Dividend; and

- (c) for any other purpose, if any day during the said 10 Trading Day-period was the ex-date in relation to any dividend (or any other entitlement) the Volume Weighted Average Prices that shall have been based on a price cum- such dividend (or cum- such entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such dividend (or other entitlement) per Share as at the date of first public announcement of the terms of such dividend (or other entitlement),

all as determined by the Calculation Agent, provided that in making any calculation or determination of Current Market Price, such adjustments (if any) shall be made as the Calculation Agent or an Independent Financial Advisor considers appropriate to reflect any consolidation or sub-division of the Shares or any issue of Shares by way of capitalisation of profits or reserves, or any like or similar event.

**“Fair Market Value”** means, with respect to any property as at or on any date (the **“FMV Date”**):

- (a) in the case of a Capital Distribution pursuant to limb (ii) of the definition thereof (including without limitation any Relevant Cash Dividend), the cash amount of such Capital Distribution, as determined by the Calculation Agent;
- (b) in the case of any other cash amount, the amount of such cash, as determined by the Calculation Agent;
- (c) in the case of securities (including the Shares), options, warrants or other rights or assets that are or will be publicly traded on a Relevant Exchange of adequate liquidity (as determined by the Calculation Agent or an Independent Financial Advisor), the arithmetic mean of the Closing Prices of such Shares, securities, options, warrants or other rights or assets on each Trading Day comprised in the period of five Trading Days in respect thereof commencing on (and including) such FMV Date (or, if later, the date (the **“Adjusted FMV Date”**) which falls on the first such Trading Day on which such securities, options, warrants or other rights or assets are publicly traded, provided that where such Adjusted FMV Date falls after the fifth day following the FMV Date, the Fair Market Value of such securities, options, warrants or other rights or assets shall instead be determined pursuant to paragraph (d) below, and no such Adjusted FMV Date shall be deemed to apply) or such shorter period as such securities, options, warrants or other rights or assets are publicly traded, all as determined (unless otherwise specified) by the Calculation Agent; and
- (d) in the case of securities, options, warrants or other rights or assets that are not publicly traded on a Relevant Exchange of adequate liquidity (as aforesaid) or where otherwise provided in paragraph (c) above to be determined pursuant to this paragraph (d), an amount equal to the fair market value of such securities, options, warrants or other rights or assets as determined by an Independent Financial Advisor, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Share, the dividend yield of a Share, the volatility of such market price, prevailing interest rates and the terms of such securities, options, warrants or other rights or assets, including as to the expiry date and exercise price (if any) thereof.

Such amounts shall, in the case of paragraph (a) above (if declared or paid or payable in a currency other than the Relevant Currency, and if the relevant dividend is payable at the option of a Shareholder in any currency additional to the Relevant Currency, the relevant dividend shall be treated as payable in the Relevant Currency) be translated into the Relevant Currency at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the Capital Distribution in the Relevant Currency); and in any other case (if not expressed in the Relevant Currency on the FMV Date (or, as the case may be, the Adjusted FMV Date)) be translated into the Relevant Currency at the Prevailing Rate on the FMV Date (or, as the case may be, the Adjusted FMV Date), all as determined in good faith by the Calculation Agent.



In addition, in the case of paragraphs (a) and (b) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax, and disregarding any associated tax credit.

“**GAAP**” means generally accepted accounting principles in Hong Kong as in effect from time to time. All ratios and computations contained or referred to in the Indentures shall be computed in conformity with GAAP applied on a consistent basis.

“**Hong Kong Stock Exchange**” means The Stock Exchange of Hong Kong Limited.

“**Independent Financial Advisor**” means a reputable independent financial advisor or financial institution with appropriate expertise (which may be the person acting as Calculation Agent) selected by the Company and notified in writing to the Trustee. If the Issuer fails to select an Independent Financial Advisor within 60 days of when required by these Conditions, the Bondholders may by way of an ordinary resolution of Bondholders select the Independent Financial Advisor.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof.

“**Prevailing Rate**” means, in respect of any currency on any day, the spot mid exchange rate between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined.

“**Relevant Cash Dividend**” means any cash dividend or distribution (or portion thereof) specifically declared by the Company to Shareholders as a class which would or could otherwise have been received by such Shareholders pursuant to the terms of a Scrip Dividend (whether or not, for the avoidance of doubt, such Shareholders have elected to receive Shares pursuant to the terms of a Scrip Dividend in respect of any portion (which may be none, part or the whole) of such Relevant Cash Dividend).

“**Relevant Currency**” means, at any time, the currency in which the Shares are quoted or dealt in at such time on the Relevant Exchange.

“**Relevant Exchange**” means (i) in respect of the Shares, the Hong Kong Stock Exchange or, if the Shares are no longer listed and traded on the Hong Kong Stock Exchange, the Alternative Stock Exchange, or (ii) in respect of any other security, option, warrant or other right or asset, the principal stock exchange or securities market on which the security, option, warrant or other right or asset is then listed, admitted to trading or quoted or dealt in.

“**Relevant Page**” means the relevant Bloomberg BFIX page (or its successor page) or, if there is no such page, on the relevant Reuters HKDFIX page (or its successor page) or such other information service provider that displays the relevant information.

“**Scrip Dividend**” means any Shares any plan or scheme of the Company to Shareholders as a class pursuant to which Shares are to be issued or may be issued in lieu of any Relevant Cash Dividend (and in any such case the number of Shares comprising such Scrip Dividend shall be the maximum number of Shares to be issued or that may be issued in lieu of such Relevant Cash Dividend).

“**Subsidiary**” means, with respect to any Person, any corporation, association or other business entity (i) of which more than 50 per cent. of the voting power of the outstanding voting shares is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person or (ii) of which 50 per cent. or less of the voting power of the outstanding voting shares is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is “controlled” and consolidated by such Person in accordance with GAAP; provided, however, that with respect to clause (ii), the occurrence of any event (other than the issuance or sale of capital shares) as a result of which such corporation, association or other business entity ceases to be “controlled” by such Person under the GAAP and to constitute a Subsidiary of such Person shall be deemed to be a designation of such corporation, association or other business entity as an unrestricted subsidiary by such Person and be subject to the requirements under the Indentures.

“**Trading Day**” means (i) in respect of the Shares, a day when the Relevant Exchange in respect thereof is open for the business of dealing in securities, *provided that* if no Closing Price or Volume Weighted Average Price for the Share is available in respect of such day, such day shall not constitute a Trading Day in respect thereof, or (ii) in respect of any other security, option, warrant or other right or asset, a day when the Relevant Exchange in respect thereof is open for the business of dealing in securities, provided that if no Closing Price for security, option, warrant

or other right or asset is available in respect of such day, such day shall not constitute a Trading Day in respect thereof, and further provided that, unless otherwise specified, a Trading Day shall be a Trading Day in respect of the Shares.

“**Volume Weighted Average Price**” means, in respect of a Share, on any Trading Day in respect thereof, the volume weighted average price on the Relevant Exchange on such Trading Day of a Share as published by or derived from Bloomberg page HP (or any successor ticker page) (setting ‘*Weighted Average Line*’, or any other successor setting and using values not adjusted for any event occurring after such Trading Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) in respect of such Share (all as determined by the Calculation Agent) (and for the avoidance of doubt such Bloomberg page for the Shares as at the Issue Date is 3883 HK Equity HP), if available or, in any other case, such other source (if any) as shall be determined in good faith to be appropriate by (if the Calculation Agent determines in its sole discretion it is capable of making such determination in its capacity as Calculation Agent) the Calculation Agent or (in any other case) an Independent Financial Advisor on such Trading Day.

On any adjustment, the Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given to Bondholders in accordance with Condition 16 (*Notices*) and the Conversion Agent as soon as practicable after the determination thereof.

The Conversion Price may not be reduced so that, on the conversion of any Bond, Shares would be issued at a discount to their par value or Shares would be required to be issued in any other circumstances not permitted by applicable law then in force in the Cayman Islands and Hong Kong.

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to how an adjustment to the Conversion Price under Condition 6(C) (*Adjustments to Conversion Price*) should be made, and following consultation between the Company, the Calculation Agent and an Independent Financial Advisor, a written opinion of such Independent Financial Advisor in respect thereof shall be conclusive and binding on the Company, the Bondholders and the Conversion Agent, save in the case of manifest error. Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Financial Advisor, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Financial Advisor to be in its opinion appropriate in order to give such intended result.

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in Condition 6(C)(i) above.

Notwithstanding anything to the contrary in these Conditions or the Trust Deed, no adjustment will be made to the Conversion Price:

- (i) when Shares, (other than Shares issued upon exercise of any rights, options, warrants or other rights or other rights to subscribe for or purchase or otherwise acquire Shares), rights, options warrants or other rights to subscribe for or purchase or otherwise acquire Shares are issued, offered, allotted, appropriated, modified or granted to or for the benefit of employees (including directors) of the Company or any of its Subsidiaries pursuant to any Employee Share Scheme (as defined in the Trust Deed) (and which Employee Share Scheme is in compliance with the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange or, if the then Relevant Exchange for the Shares is not the Hong Kong Stock Exchange, the listing rules of an Alternative Stock Exchange) (any such issue, offer, allotment, appropriation, modification or grant of Shares, options or other securities, “**Qualifying Employee Share Scheme Issue**”) if, as reasonably determined by the Company (in consultation with the Calculation Agent), either:
  - (c) such Qualifying Employee Share Scheme Issue (the “**Relevant Issue**”) (together with any previous Qualifying Employee Share Scheme Issue which has occurred during the Relevant Issue Testing Period in relation to the Relevant Issue) does not amount to, or entitle such persons to receive shares in excess of five per cent. of the average number of issued and outstanding shares during the 12 months period up to the occurrence of the Reference Issue (the “**Relevant Issue Testing Period**” in relation to such Qualifying Employee Share Scheme Issue); or.

- (d) the consideration receivable per Share (determined in a manner consistent with the determination of the consideration receivable per Share for the purpose of Conditions 6(C)(iv), 6(C)(vi), 6(C)(vii) and 6(C)(viii) as set forth below) pursuant to such Qualifying Employee Share Scheme Issue is at least equal to the higher of: (1) the Closing Price of the Shares on the date of occurrence of such Qualifying Employee Share Scheme Issue (or, if such date is not a Trading Day, on the immediately preceding Trading Day); and (2) the average of the Closing Price of the Shares on each of the five consecutive Trading Days ending on (and including) the date of occurrence of such Qualifying Employee Share Scheme Issue (or, if such date is not a Trading Day, on the immediately preceding Trading Day);
- (ii) when Shares, options or other securities are issued, offered, exercised, allotted, appropriated, modified or granted to or for the benefit of any Strategic Investor; or
- (iii) when Shares, options or other securities are issued, offered, exercised, allotted, appropriated, modified or granted to any Strategic Investor in consideration in whole or in part of the acquisition of any other securities, assets or business by the Company or any of its Subsidiaries.

References to any issue or offer or grant to Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders, other than Shareholders by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

The Trustee and the Conversion Agent shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by it to do so, the Trustee and the Conversion Agent shall be entitled to rely without liability to any Bondholder on any report or certificate of a director of the Company in connection therewith.

For the purpose of any calculation of the consideration receivable or price pursuant to Conditions 6(C)(iv), 6(C)(vi), 6(C)(vii) and 6(C)(viii), the following provisions shall apply:

- (i) the aggregate consideration receivable or price for Shares issued for cash shall be the amount of such cash;
- (ii) (a) the aggregate consideration receivable for Shares to be issued on the conversion, exercise or exchange of any options, warrants or other rights or securities (or following any modification thereof) shall be deemed to be the consideration received or receivable by the Company for any such options, warrants or other rights or securities (or following any modification thereof); (b) the aggregate consideration receivable for Shares to be issued on the exercise of rights of subscription attached to any such securities (or following any modification thereof) shall be deemed to be that part (which may be the whole) of the consideration received or receivable by the Company for such securities (or following any modification thereof) which is attributed by the Company to such rights of subscription or, if no part of such consideration is so attributed, to the Fair Market Value of such rights of subscription as at the relevant Determination Date pursuant to Conditions 6(C)(iv), 6(C)(vi), 6(C)(vii) or 6(C)(viii) (as applicable), plus in the case of each of (a) and (b) above, the additional minimum consideration (if any) to be received by the Company on the conversion, exercise or exchange of such options, warrants or other rights or securities (or following any modification thereof), or on the exercise of such rights of subscription; and (c) the consideration per Share receivable by the Company on the conversion, exercise or exchange of, or on the exercise of such rights of subscription attached to, such options, warrants or other rights or securities (or following any modification thereof) shall be the aggregate consideration referred to in (a) or (b) above (as the case may be) divided by the number of Shares to be issued on such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;
- (iii) if the consideration or price determined pursuant to (i) or (ii) above (or any component thereof) shall be expressed in a currency other than in the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the relevant Determination Date pursuant to Conditions 6(C)(iv), 6(C)(vi), 6(C)(vii) or 6(C)(viii) (as applicable);
- (iv) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing

or management of the issue of the relevant Shares or securities or options, warrants or rights, or otherwise in connection therewith;

- (v) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable, regardless of whether all or part thereof is received, receivable, paid or payable by or to the Company or another entity; and
- (vi) if as part of the same transaction, Shares shall be issued or issuable for a consideration receivable in more than one or in different currencies then the consideration receivable per Share shall be determined by dividing the aggregate consideration (determined as aforesaid and converted if and to the extent not in the Relevant Currency, into the Relevant Currency as aforesaid) by the aggregate number of Shares so issued.

**(D) Undertakings**

The Company undertakes that so long as any Bond remains outstanding, save with the consent of Bondholders which in the aggregate hold 75 per cent. of the outstanding principal amount of the Bonds at such time:

- (i) it will use its best endeavours (1) to maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, and (2) to obtain and maintain a listing for all the Shares issued pursuant to a Voluntary Conversion or a Mandatory Conversion on the Hong Kong Stock Exchange, and in each case of (1) and (2), if the Company is unable to obtain or maintain such listing or such listing is unduly onerous, to use its best endeavours to obtain and maintain a listing for all the issued Shares on an Alternative Stock Exchange as from time to time selected by the Company and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) and the Trustee below of the listing or delisting of the Shares (as a class) by any such stock exchange;
- (ii) it will pay the expenses of the issue of, and all expenses of obtaining the listing for, Shares arising on conversion of the Bonds (except for any expenses, charges or taxes expressed to be payable by the Bondholder in Condition 6(B)(vi) (*Stamp Duty etc.*));
- (iii) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account, except where the reduction is permitted by applicable law and results in (or would, but for the provisions of Condition 6(C) (*Adjustments to Conversion Price*) relating to rounding or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made provided always that the Company shall not be prohibited from purchasing its Shares to the extent permitted by law;
- (iv) it will use its best endeavours to obtain and maintain the listing of the Bonds on the SGX-ST and if the Company is unable to obtain and maintain such listing or such listing is unduly onerous, to use all reasonable endeavours to obtain and maintain a listing on another internationally recognised stock exchange as from time to time selected by the Company and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) below of the listing or delisting of the Bonds by any such stock exchange;
- (v) the Company will reserve, free from any other pre-emptive or other similar rights and free from any encumbrances, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of the Bonds will be duly and validly issued as fully-paid; and
- (vi) it will not make any offer, issue, grant or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Company, provided always that the Company shall not be prohibited from purchasing its Shares to the extent permitted by law.

The Company has also given certain other undertakings in the Trust Deed for the protection of the Voluntary Conversion Rights.

**(E) Notice of Change in Conversion Price**

As soon as practicable after the date of the public announcement in relation to the event giving rise to the relevant adjustment as set out in Condition 6(C) (*Adjustments to Conversion Price*), the Calculation Agent shall calculate and determine any adjustment to the Conversion Price and it shall notify the Trustee, the Principal Paying Agent and the Principal Conversion and Transfer Agent and the Company in writing of such calculations and determinations and the effective date of such adjustment.

The Company shall give notice to the Bondholders and the Trustee in accordance with Condition 16 (*Notices*) of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth reasonable details of the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.

Save as set out in these Conditions, neither the Trustee nor the Agents (other than the Calculation Agent) shall be under any duty to determine, calculate or verify the adjusted Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by it to do so.

## **7 Payments**

### **(A) Principal**

Payment of principal and any other amount due will be made by transfer to the registered account of the Bondholder. Payment of principal will only be made after surrender of the relevant Certificate at the specified office of the Principal Paying Agent and the Principal Conversion and Transfer Agent.

### **(B) Registered Accounts**

For the purposes of this Condition, a Bondholder's registered account means the United States dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the fifteenth day before the due date for the relevant payment, and a Bondholder's registered address means its address appearing on the Register at that time.

### **(C) Fiscal Laws**

All payments are subject in all cases to any applicable law, regulations and directives and in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*). No commissions or expenses shall be charged to the Bondholders in respect of such payments.

### **(D) Payment Initiation**

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a business day, for value on the first following day which is a business day) will be initiated on the due date for payment, or, in the case of a payment of principal where the relevant Certificate has not been surrendered at the specified office of the Principal Paying Agent and the Principal Conversion and Transfer Agent, on the business day on which the Principal Paying Agent and the Principal Conversion and Transfer Agent is open for business and on which the relevant Certificate is surrendered at the specified office of the Principal Paying Agent and the Principal Conversion and Transfer Agent.

### **(E) Delay in Payment**

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a business day, if the Bondholder is late in surrendering its Certificate (if required to do so) or if a cheque mailed in accordance with this Condition 7 arrives after the due date for payment.

### **(F) Business Day**

In this Condition 7, unless otherwise defined, “**business day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and New York, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

### **(G) Partial Payment**

If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

### **(H) Rounding**

When making payments to Bondholders, fractions of one United States dollar will be rounded to the nearest United States dollar (half a United States dollar being rounded upwards).

## 8 Redemption, Purchase and Cancellation

### (A) Maturity

Unless previously redeemed, converted or purchased and cancelled as provided herein, each Bond will be converted into Shares at the applicable Conversion Price on 30 September 2028 (the “**Maturity Date**”) by way of the Mandatory Conversion pursuant to Condition 6 (*Conversion*).

### (B) Redemption at the Option of the Company

- (i) Notwithstanding anything to the contrary in these Conditions, following the occurrence of a Strategic Investor Share Purchase Event, on giving not less than fifteen nor more than sixty business days’ notice to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee and Principal Paying Agent and the Principal Conversion and Transfer Agent (which notice shall be irrevocable) (an “**Optional Redemption Notice**”), the Company may redeem all, but not some only, of the Bonds on the date specified in the Optional Redemption Notice at 100 per cent. of the principal amount of the Bonds to be so redeemed.
- (ii) Subject to the provisions of Condition 8(E) (*Restriction*), on giving an Optional Redemption Notice, the Company may redeem all or any part of the Bonds on the date specified in the Optional Redemption Notice at 100 per cent. of the principal amount of the Bonds to be so redeemed, at any time.

### (C) Redemption for a Relevant Event

Following the occurrence of a Relevant Event (as defined below), the holder of each Bond will have the right at such holder’s option, to require the Company to redeem such Bond on the Relevant Event Redemption Date (as defined below) at a redemption price equal to 100 per cent. of the principal amount of such Bond. To exercise such right, the holder of the relevant Bond must complete, sign and deposit, at his own expense, at the specified office of any Paying Agent, a duly completed and signed notice of redemption, in the form for the time being current, obtainable from the specified office of any Paying Agent (the “**Relevant Event Redemption Notice**”) together with the Certificate evidencing the Bond(s) to be redeemed by not later than 30 days following the occurrence of a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Company in accordance with Condition 16 (*Notices*) and the Trustee. The “**Relevant Event Redemption Date**” shall be the fourteenth day after the expiry of such period of 30 days as referred to above.

A Relevant Event Redemption Notice, once delivered, shall be irrevocable unless the Company consents to its withdrawal and the Company shall redeem the Bonds the subject of Relevant Event Redemption Notices delivered as aforesaid on the Relevant Event Redemption Date.

The Trustee shall not be required to take any steps to ascertain whether a Relevant Event or any event which could lead to the occurrence of a Relevant Event has occurred and will not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

The Company shall give notice to Bondholders in accordance with Condition 16 (*Notices*), the Trustee and the Conversion Agent by not later than fourteen days following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the Relevant Event and procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 8(C).

“**Relevant Event**” occurs when:

- (i) the Company issues Shares (other than upon any Voluntary Conversion or the Mandatory Conversion) representing an aggregate amount of 10 per cent. or more of the share capital of the Company as at the Issue Date to the Strategic Investor (or any person(s) acting in concert (as defined below)) from and including the Issue Date to but excluding [●] [*Note: 12 months from RED*] (the “**Strategic Investor Share Purchase Event**”); and
- (ii) the Company does not give notice pursuant to Condition 8(B) (*Redemption at the Option of the Company*) to exercise its right to redeem all, but not some only, of the Bonds prior to the date falling five business days following the issuance of the Shares referenced in (i) above.

### (D) Purchases

The Company or any of its Subsidiaries may, subject to applicable law and regulations and the provisions of Condition 8(E) (*Restriction*) and Condition 8(F) (*Cancellation*), at any time and from time to time purchase Bonds

at any price in the open market or otherwise. The Bonds so acquired, while held on behalf of the Company or any such Subsidiary, shall not entitle the holder(s) thereof to exercise any voting rights with respect to such Bonds.

**(E) Restriction**

Other than as provided in Condition 8(B)(i) (*Redemption at the Option of the Company*) and Condition 8(C) (*Redemption for a Relevant Event*), the Company shall not redeem or repurchase any Bonds to the extent any Add Hero Note, Aoyuan New Note and Aoyuan Perpetual Security remains outstanding.

**(F) Cancellation**

All Bonds which are redeemed, converted or purchased by the Company or any of its Subsidiaries will be automatically cancelled and no longer considered outstanding. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

**(G) Redemption Notices**

All notices to Bondholders and the Trustee given by or on behalf of the Company pursuant to this Condition 8 will be given in accordance with Condition 16 (*Notices*) and will specify (i) the applicable redemption amount (ii) the date for redemption, (iii) the manner in which redemption will be effected, and (iv) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

**(H) Strategic Investor Purchase Option**

- (i) From and including the Issue Date to but excluding [●] [**Note: 12 months from RED**] (such period, the “**Election Period**”), the Strategic Investor shall have the right (the “**Option to Purchase**”) to require the Bondholders to transfer all, but not some of, the Bonds to the Strategic Investor, in accordance with the provisions below.
- (ii) The Strategic Investor shall be entitled to make an election by notice, in the form attached as Schedule H (*Election Notice to Trustee*) to the Agency Agreement, to the Trustee (an “**Election**” and the “**Election Notice**”) that it shall exercise its Option to Purchase at any time during the Election Period. Where the Strategic Investor has made an Election, the Trustee shall notify the Bondholders of such Election in the form attached as Schedule I (*Election Notice to Bondholders*) to the Agency Agreement, and shall appoint a Settlement Agent within 10 business days of such notice.
- (iii) The amount payable by the Strategic Investor shall be equal to the aggregate of all of the principal in respect of the Bonds (the “**Option Price**”). The Settlement Agent shall simultaneously notify the Trustee who shall notify the Bondholders of the Election and the Settlement Agent’s contact details for the purpose of obtaining account and delivery details and details of the amount of Bonds to be delivered by each Bondholder to the Strategic Investor.

“**Settlement Agent**” means a bank or other tender agency, or issuer services entity appointed by, and at the expense of the Company, to facilitate settlement of the Option to Purchase.
- (iv) On the completion date (the “**Completion Date**”) which shall be the next business day falling 30 calendar days after the date of the Election Notice, the Strategic Investor shall be required to pay the Option Price to such account as is specified by and available from the Settlement Agent and from which the Bondholders will be paid for settlement on and from the Completion Date.
- (v) On the Completion Date, provided the full Option Price has been paid into the account specified in paragraph (iii) above and the Settlement Agent has confirmed to the Bondholders that the full Option Price is available in immediately available funds for payment to the Bondholders against transfer of their Bonds, the Bondholders will transfer all their Bonds to such account of the Strategic Investor as will be available from the Settlement Agent (and each Bondholder will receive its pro rata share of the Option Price from the Settlement Agent).
- (vi) Subject to the paragraphs below, if any Bondholder fails to transfer their Bonds pursuant to paragraph (v) above, provided that the Option Price has been paid in full on the Completion Date by the Strategic Investor and the Settlement Agent has given the Bondholders the confirmation described above, all Bondholders, whether they have transferred their Bonds pursuant to paragraph (v) above or have failed to do so, shall cease to be Bondholders (and shall have no further rights under the Bonds and the Trust Deed, save for any rights under paragraph (v) above to receive their pro rata share of the Option Price) for the purposes of the

Trust Deed and, in their place, the Strategic Investor shall be treated as the holder of the Bonds for all purposes, including in respect of exercise of Voluntary Conversion Rights.

- (vii) Upon the Settlement Agent confirming to the Company and the Trustee that all Bonds have been transferred to the Strategic Investor pursuant to paragraph (v) above, from that point the Company, the Trustee and the Registrar shall recognise the then Bondholders as the holders of the relevant Bonds without reference to the other provisions of this Condition 8(H).
- (viii) If paragraph (vi) applies because some Bonds have not yet been transferred to the Strategic Investor, all payments to be made under the Bonds will be made to such accounts of the Strategic Investor as is certified in writing by the Settlement Agent to the Company, the Trustee and the Registrar and the exercise of all entitlements referred to in paragraph (vi) shall be enjoyed by the Strategic Investor.

In this Condition 8,

**“Add Hero Notes”** means the U.S. dollar-denominated senior notes, issued by Add Hero Holdings Limited on the Issue Date.

**“Aoyuan New Notes”** means the U.S. dollar-denominated senior notes, issued by the Company concurrently with the Bonds.

**“Aoyuan Perpetual Securities”** means the U.S. dollar-denominated perpetual securities, issued by the Company concurrently with the Bonds.

**“acting in concert”** has the meaning assigned to such term by the definitions of the Hong Kong Code on Takeovers and Mergers.

## 9 Taxation

All payments of principal will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company will pay such additional amounts (**“Additional Amounts”**) as will result in receipt by the Bondholder of each Bond of such amounts as would have been received by such Bondholder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (i) for or on account of:
  - (a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:
    - (A) the existence of any present or former connection between the Bondholder or beneficial owner of such Bond and the relevant jurisdiction or the jurisdiction through which payments are made other than merely holding such Bond or the receipt of payments thereunder or the enforcement of or exercise of rights thereunder, including, without limitation, such Bondholder or beneficial owner being or having been a national, domiciliary or resident of such relevant jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein; or
    - (B) the presentation of such Bond (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of such Bond became due and payable pursuant to these Conditions or was made or duly provided for, except to the extent that the Bondholder thereof would have been entitled to such Additional Amounts if it had presented such Bond for payment on any date within such 30-day period; or



- (C) the failure of the Bondholder or beneficial owner to comply with a timely request of the Company addressed to the Bondholder to provide information concerning such Bondholder's or beneficial owner's nationality, residence, identity or connection with any relevant jurisdiction or the jurisdiction through which payments are made, if and to the extent that due and timely compliance with such request is required under the tax law of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Bondholder; or
  - (D) the presentation of such Bond (in cases in which presentation is required) for payment in the relevant jurisdiction or the jurisdiction through which payments are made, unless such Bond could not have been presented for payment elsewhere; or
- (b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge; or
- (c) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement with respect thereto, or any other agreement pursuant to the implementation of FATCA; or
- (d) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b) and (c); or
- (ii) to a Bondholder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a relevant jurisdiction or the jurisdiction through which payments are made, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Bondholder thereof.

Whenever there is mentioned in any context the payment of principal in respect of any Bond, such mention shall be deemed to include payment of Additional Amounts provided for in these Conditions to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

## 10 Events of Default

There are no events of default in respect of the Bonds.

However, if a Winding-Up occurs, the Trustee at its sole discretion may, and shall if so requested in writing by the holders or the Beneficial Holders of at least one-quarter in principal amount of the Bonds then outstanding (subject in each case to being indemnified and/or secured and/or pre-funded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action), prove and/or claim in the Winding-Up or administration of the Company in respect of the Bonds.

The Trustee may at any time, at its discretion and without further notice, institute such proceedings or take any other action as it may think fit to enforce any term or condition binding on the Company under the Trust Deed or the Bonds but in no event shall the Company by virtue of such proceedings be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it. The Trustee shall not be bound to institute any such proceedings or any other action in relation to the Trust Deed or the Bonds unless it shall have been indemnified and/or secured and/or prefunded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action.

No remedy against the Company, other than as referred to in this Condition 10, shall be available to the Trustee, Bondholders or the Beneficial Holders, whether for the recovery of amounts owing in respect of the Trust Deed or the Bonds or in respect of any other breach by the Company of any of its other obligations under or in respect of the Trust Deed or the Bonds.

“**Winding-Up**” means, with respect to the Company, a final and effective order by a competent authority in the jurisdiction of the Company for the bankruptcy, winding-up, liquidation, administration or similar proceedings in respect of the Company (except, in any such case, a solvent winding-up solely for the purposes of a reorganisation, reconstruction, merger or amalgamation the terms of which reorganisation, reconstruction, merger or amalgamation have previously been approved in writing by the holders of the Bonds of at least a majority in aggregate principal amount of the outstanding Bonds).

## 11 Prescription

Claims in respect of amounts due in respect of the Bonds will become prescribed unless made within ten years from the relevant date in respect thereof.

For the purposes hereof, “**relevant date**” means whichever is the later of (1) the date on which such payment first becomes due and (2) if the full amount payable has not been received by the Trustee or the Principal Paying Agent or the Principal Conversion and Transfer Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and cheques despatched or payment made.

## 12 Enforcement

- (i) The Trustee or the Bondholders or Beneficial Holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding may at any time, at its or their discretion and without notice, take such proceedings, actions or steps against the Company in accordance with Condition 10 (*Events of Default*) as it or they may think fit to enforce the provisions of the Trust Deed and the Bonds. The Trustee shall not be bound to take any such proceedings or any other action or step in relation to the Trust Deed or the Bonds unless (i) it shall have been so requested in writing by the holders or Beneficial Holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action.
- (ii) A Bondholder or Beneficial Holder may not pursue any remedy with respect to the Bonds or the Trust Deed unless:
  - (a) the Bondholder or Beneficial Holder has previously given the Trustee written notice to take such proceedings, actions or steps against the Company in accordance with Condition 10 (*Events of Default*);
  - (b) the Bondholders or Beneficial Holders of at least 25 per cent. in aggregate principal amount of outstanding Bonds make a written request to the Trustee to pursue the remedy;
  - (c) such Bondholder(s) or Beneficial Holder(s) offer the Trustee indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action against any costs, liability or expense to be incurred in compliance with such written request;
  - (d) the Trustee does not comply with such request within 60 days after receipt of such written request and the offer of indemnity and/or pre-funding to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action; and
  - (e) during such 60-day period, the Bondholders or Beneficial Holders of a majority in

aggregate principal amount of the outstanding Notes do not give the Trustee a written direction that is inconsistent with the request.

### **13 Amendments, Supplements and Waivers**

#### **(A) Amendments without Consent of Bondholders**

- (a) The Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Bonds may be amended, without the consent of any Bondholder, to:
  - (1) cure any ambiguity, defect, omission or inconsistency in the Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Bonds;
  - (2) evidence and provide for the acceptance of appointment by a successor Trustee or any Agent;
  - (3) in any other case where a supplemental trust deed to the Trust Deed is required or permitted to be entered into pursuant to the provisions of the Trust Deed without the consent of any Bondholder;
  - (4) make any other change that provides additional rights or benefits to Bondholders or that does not materially and adversely affect the rights of any Bondholder; or
  - (5) effect any changes to the Trust Deed in a manner necessary to comply with the procedures of Euroclear, Clearstream or the relevant clearing system.

#### **(B) Amendments with Consent of Bondholders**

- (a) Amendments of the Trust Deed, the Agency Agreement, the Calculation Agency Agreement or the Bonds may be made by the Company and the Trustee with the consent of the Bondholders of not less than a majority in aggregate principal amount of the outstanding Bonds and the Bondholders of a majority in principal amount of the outstanding Bonds may waive future compliance by the Company with any provision of the Bonds, the Agency Agreement, the Calculation Agency Agreement or the Trust Deed; *provided, however*, that no such amendment, supplement or waiver may, without the consent of Bondholders which in the aggregate hold 75 per cent. of the outstanding principal amount of the Bonds at such time:
  - (1) change the Maturity Date of the principal of any Bond;
  - (2) reduce the principal amount of any Bond;
  - (3) change the currency of payment of principal of any Bond;
  - (4) modify (except for a unilateral and unconditional reduction in the Conversion Price by the Company) or cancel the Conversion Rights;
  - (5) impair the right to institute suit for the enforcement of any payment on or after the Maturity Date (or, in the case of a redemption, on or after the redemption date) of any Bond;
  - (6) reduce the above-stated percentage of outstanding Bonds the consent of whose Bondholders is necessary to modify or amend the Trust Deed;
  - (7) waive a default in the payment of principal of the Bonds (except a rescission of acceleration of the Bonds by the Bondholders of a majority in aggregate principal amount of the Bonds and a waiver of a default that resulted from such acceleration);
  - (8) reduce the percentage or aggregate principal amount of outstanding Bonds the consent of whose Bondholders is necessary for waiver of compliance with certain provisions of the Trust Deed or for waiver of certain defaults;
  - (9) consent to the assignment or transfer by the Company of any of its rights or obligations under the Trust Deed;
  - (10) change the redemption date or the redemption price of the Bonds from that stated in Condition 8 (*Redemption, Purchase and Cancellation*);

- (11) amend, change or modify the obligation of the Company to pay Additional Amounts;
  - (12) amend, change or modify any provision of the Trust Deed or the related definition affecting the ranking of the Bonds in a manner which adversely affects the Bondholders; or
  - (13) make any change in the preceding amendment and waiver provisions.
- (b) It is not necessary for Bondholders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.
  - (c) An amendment, supplement or waiver under this Condition 13(B) will become effective on receipt by the Trustee of written consents from the Bondholders of the requisite percentage in principal amount of the outstanding Bonds. After an amendment, supplement or waiver under this Condition 13(B) becomes effective, the Company will send to the Bondholders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will send supplemental trust deed to Bondholders upon request. Any failure of the Company to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental trust deed or waiver.
- (C) *Effect of Consent***
- (a) After an amendment, supplement or waiver becomes effective, it will bind every Bondholder.
  - (b) If an amendment, supplement or waiver changes the terms of a Bond, the Trustee may require the Bondholder to deliver it to the Trustee so that the Trustee may place an appropriate notation of the changed terms on the Bond and return it to the Bondholder, or exchange it for a new Bond that reflects the changed terms. The Trustee may also place an appropriate notation on any Bond thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver is not affected by any failure to annotate or exchange Bond in this fashion.

**(D) *Trustee's and Other Agent's Rights and Obligations***

Each of the Trustee and the other Agents is entitled to receive, and will be fully protected in relying upon, an Opinion of Counsel stating that the execution of any amendment, supplement or waiver authorised pursuant to this Condition 13 is authorised or permitted by the Trust Deed and that such amendment, supplement or waiver constitutes the legal, valid, binding and enforceable obligations of the party or parties executing such amendment, supplement or waiver, and an Officers' Certificate stating that all conditions precedent have been complied with. If the Trustee or the other Agents, as the case may be, has received such an Opinion of Counsel and Officers' Certificate, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Trustee or the other Agents, as the case may be. Each of the Trustee and the other Agents may, but is not obligated to, execute any amendment, supplement or waiver that affects the Trustee's or the other Agents' own rights, duties or immunities under the Trust Deed.

**14 Replacement of Certificates**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or the Principal Paying Agent and the Principal Conversion and Transfer Agent upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Company and such Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

**15 Currency Indemnity**

**(A) *Currency of Account and Payment***

United States dollars (the "**Contractual Currency**") is the sole currency of account and payment for all sums payable by the Company under or in connection with the Bonds, the Trust Deed including damages.

**(B) *Extent of Discharge***

An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the Winding-Up or dissolution of the Company), by the Trustee or any Bondholder in respect of any sum expressed to be due to it from the Company will only

discharge the Company to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

**(C) Indemnity**

If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under the Bonds, the Trust Deed, the Company will indemnify the recipient against any loss sustained by it as a result. In any event, the Company will indemnify the recipient against the cost of making any such purchase.

**(D) Indemnity Separate**

The indemnity in this Condition 15 constitutes a separate and independent obligation from the other obligations under the Bonds and the Trust Deed, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Trustee and/or any Bondholder and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under the Bonds and/or the Trust Deed or any other judgment or order.

**16 Notices**

All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the Register maintained by the Registrar or published in a leading newspaper having general circulation in Asia (which is expected to be the *Asian Wall Street Journal*) or by way of an announcement on the designated website of the Hong Kong Stock Exchange (if and for so long as the Shares are listed on the Hong Kong Stock Exchange) or by publication through the electronic communication system of Bloomberg. The Company shall also ensure that notices are duly published in a manner required by the rules and regulations of any stock exchange or other relevant authority on which the Bonds and/or the Shares are for the time being listed. Any such notice shall be deemed to have been given on the later of the date of such publication and the seventh day after being so mailed, as the case may be.

*So long as the Bonds are represented by the Global Certificates and the Global Certificates are held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the Global Certificates), notices to Bondholders may be given by delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by these Conditions.*

**17 Agents**

The names of the initial Agents and the Registrar and their specified offices are set out below. The Company reserves the right at any time to vary or terminate the appointment of any Agent or the Registrar and to appoint additional or other Agents or a replacement Registrar. The Company will at all times maintain (i) a Principal Paying Agent and a Principal Conversion and Transfer Agent, (ii) a Registrar which will maintain the Register outside the United Kingdom and Hong Kong and (iii) a Calculation Agent. Notice of any such termination or appointment, of any changes in the specified offices of any Agent or the Registrar and of any change in the identity of the Registrar or the Principal Paying Agent and a Principal Conversion and Transfer Agent will be given promptly by the Company to the Bondholders and in any event not less than 45 days' notice will be given.

**18 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings for enforcement unless indemnified, prefunded and/or secured to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action. The Trustee is entitled to enter into business transactions with the Company and any entity related to the Company (including any of its affiliates) without accounting for any profit.

The Trustee may rely without liability to Bondholders, the Company or any other person on any report, confirmation, certificate or information from or any advice or opinion of any legal counsels, accountants, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, information, advice or opinion, in which

event such report, confirmation, certificate, information, advice or opinion shall be binding on the Company and the Bondholders.

Whenever the Trustee is required or entitled by these terms of the Trust Deed or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by obtaining the consent of Bondholders or Beneficial Holders holding in the aggregate at least 25 per cent. of the outstanding principal amount of the Bonds at such time, and the Trustee shall not be responsible for any loss or liability incurred by the Company, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking such action, making such decision or giving such direction as a result of seeking such direction from the Bondholders or in the event that no direction is given to the Trustee by the Bondholders.

None of the Trustee and the Agents shall be responsible for the performance by the Company and any other person appointed by the Company in relation to the Bonds of the duties and obligations on their part under the provisions of the Trust Deed, the Agency Agreement, the Calculation Agency Agreement or these Conditions expressed in respect of the same and, unless it has written notice from the Company to the contrary, the Trustee and each Agent shall be entitled to assume without enquiry that the same are being duly performed. None of the Trustee and the Agents shall be liable to any Bondholder, the Company or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders. The Trustee shall be entitled to conclusively rely on any direction, request or resolution of Bondholders given by holders or Beneficial Holders of at least 25 per cent. of the aggregate principal amount of Bonds outstanding and, subject to it receiving indemnity and/or prefunding security to the reasonable satisfaction of the Trustee, and, in any event, no less than the total amount of anticipated costs and expenses which may be incurred by the Trustee in taking an instruction or a requested action, or passed by the Bondholders in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to monitor the performance or compliance of the Company in the fulfilment of its obligations under the provisions of the Trust Deed, the Agency Agreement, the Calculation Agency Agreement or these Conditions. Notwithstanding the generality of the foregoing, each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Company and the Trustee shall not at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee in respect thereof.

## **19 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 except to the extent expressly provided for in these Conditions. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **20 Governing Law and Submission to Jurisdiction**

### **(A) Governing Law**

The Bonds, the Trust Deed, the Agency Agreement and the Calculation Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with English law.

### **(B) Jurisdiction**

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with the Bonds and/or the Trust Deed (“**Proceedings**”) may be brought in such courts. Pursuant to the Trust Deed, the Company has irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

### **(C) Agent for Service of Process**

Pursuant to the Trust Deed, the Company has irrevocably agreed to receive service of process in any Proceedings in Hong Kong based on any of the Bonds at the Company’s business address in Hong Kong, currently at 19th Floor, One Peking, 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR, China. Such service shall be deemed completed on delivery to such address (whether or not, it is forwarded to and received by the Company). If for any

reason such agent ceases to be able to act as such or no longer has an address in Hong Kong, the Company irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing shall affect the right to serve process in any manner permitted by law.

**(D)      *Waiver of Immunity***

The Company has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

This Deed is delivered on the date stated at the beginning.

Executed as a deed by

**China Aoyuan Group Limited 中國奧園集團股份有限公司**

Name:

Title: Authorised Signatory



Executed as a deed by

**Madison Pacific Trust Limited**

(as Trustee)

**APPENDIX 12A**

**FORM OF AOYUAN MCB AGENCY AGREEMENT**

**[See over page]**

Dated [●] 2023

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

as Company

**MADISON PACIFIC TRUST LIMITED**

as Principal Paying Agent

**MADISON PACIFIC TRUST LIMITED**

as Principal Conversion and Transfer Agent

**MADISON PACIFIC TRUST LIMITED**

as Registrar

and

**MADISON PACIFIC TRUST LIMITED**

as Trustee

**PAYING, CONVERSION AND TRANSFER AGENCY AGREEMENT**

relating to

Zero Coupon Mandatory Convertible Bonds due 2028

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**This Agreement** is made on [●] 2023 **between:**

- (1) **CHINA AOYUAN GROUP LIMITED** 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, as company (the “**Company**”);
- (2) **MADISON PACIFIC TRUST LIMITED** as principal paying agent (the “**Principal Paying Agent**”);
- (3) **MADISON PACIFIC TRUST LIMITED** as principal conversion and transfer agent (the “**Principal Conversion and Transfer Agent**”);
- (4) **MADISON PACIFIC TRUST LIMITED** as registrar (the “**Registrar**”); and
- (5) **MADISON PACIFIC TRUST LIMITED** as trustee (the “**Trustee**”, which expression, where the context so admits, includes any successor or other trustee for the time being of the Trust Deed).

**Whereas:**

- (A) The Company has (pursuant to a resolution of the board of directors of the Company passed on [●] 2023) authorised the issue of U.S.\$[●] in aggregate principal amount of zero coupon mandatory convertible bonds due 2028 (the “**Bonds**”, which expression shall, where the context so admits, include the Global Certificates (as defined in the Trust Deed) representing the Bonds). The Bonds will be convertible into fully-paid ordinary shares of par value HK\$0.01 each in the share capital of the Company or shares of any class or classes resulting from any subdivision, consolidation or re-classification of such ordinary shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Company (the “**Shares**”) subject to the terms and conditions of the Bonds.
- (B) The Bonds will be constituted by a trust deed (the “**Trust Deed**”) dated [●] 2023 between the Company and the Trustee.
- (C) This is the Agency Agreement defined in the Trust Deed.
- (D) The Bonds will be in registered form, in the denomination of U.S.\$1,000 each and in integral multiples of U.S.\$1 in excess thereof.

## **1 Interpretation**

### **1.1 Definitions**

Terms defined in the Trust Deed and the Conditions have the same meanings in this Agreement (including the recitals hereto) unless the context otherwise requires and except where otherwise defined in this Agreement. In addition:

“**Agents**” means the Principal Paying Agent, the Principal Conversion and Transfer Agent, the Registrar, the Conversion Agent, the Transfer Agent and any other paying agents, conversion agents, transfer agents or their Successors or any other agent or agents as may be appointed from time to time hereunder and “**Agent**” shall mean any one of the Agents;

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open in Hong Kong, New York and the city in which the

specified office of the Principal Paying Agent and the Registrar is located;

**“Conversion Agent”** means any person appointed as a conversion agent pursuant to this Agreement or any successor conversion agent, and includes the Principal Conversion and Transfer Agent;

**“Election Notice”** means a notice of election substantially in the form of Schedule H (*Election Notice to the Trustee*) or in such other form as shall for the time being be current;

**“FATCA Withholding”** means any withholding or deduction required pursuant to an agreement described in section 1471(b) of FATCA, or otherwise imposed pursuant to sections 1471 through 1474 of FATCA, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

**“Mandatory Conversion Notice”** means a notice of mandatory conversion substantially in the form of Schedule B (*Mandatory Conversion Notice*) or in such other form as shall for the time being be current;

**“Mandatory Conversion Reply Form”** means a mandatory conversion reply form substantially in the form of Schedule C (*Mandatory Conversion Reply Form*) or in such other form as shall for the time being be current;

**“Paying Agent”** means each paying agent appointed under this Agreement or any successor paying agent, and includes the Principal Paying Agent;

**“Regulations”** means the regulations referred to in Clause 13;

**“this Agreement”** means this Paying, Conversion and Transfer Agency Agreement;

**“Transfer Agent”** means any person appointed as a transfer agent pursuant to this Agreement or any successor transfer agent, and includes the Principal Conversion and Transfer Agent; and

**“Voluntary Conversion Notice”** means a notice of voluntary conversion substantially in the form of Schedule A (*Voluntary Conversion Notice*) or in such other form as shall for the time being be current.

## **1.2 Construction of Certain References**

References to:

**1.2.1 “HK dollars”** and **“HK\$”** are to the lawful currency for the time being of Hong Kong;

**1.2.2 “United States dollars”** and **“U.S.\$”** are to the lawful currency for the time being of the United States of America;

**1.2.3** principal shall be construed in accordance with Condition 9 (*Taxation*); and

**1.2.4** costs, charges, remuneration, indemnity payments or expenses include any withholding, value added, turnover or similar tax charged in respect thereof.

## **1.3 Headings**

Headings shall be ignored in construing this Agreement.

## **1.4 Schedules**

The Schedules are part of this Agreement and have effect accordingly.

## **1.5 Clauses**

References in this Agreement to Clauses are to clauses in this Agreement unless otherwise stated.

## **1.6 Alternative Clearing System**

References in this Agreement to Euroclear and Clearstream shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system (an “**Alternative Clearing System**”) selected by the Company and notified in writing to the Trustee and the Principal Paying Agent and, as applicable, the Registrar.

## **1.7 Amended Documents**

Save where the contrary is indicated, any reference in this Agreement to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or such other agreement or document as the same way have been, or may from time to time be, amended, varied, novated or supplemented.

## **2 Appointments**

The Company appoints the Agents as its agents in respect of the Bonds at their respective specified offices referred to in the Bonds. Each Agent accepts its appointment as agent of the Company, and for the purpose of Clause 4.1 only, the Trustee, in relation to the Bonds on the terms set out in this Agreement. Each Agent agrees to perform the duties required of it by the Conditions and this Agreement. The obligations of the Agents are several and not joint.

## **3 Authentication; Transfer of Global Certificates**

### **3.1 The Global Certificates**

Immediately before issue of the Bonds, the Company shall deliver to the Registrar duly executed Global Certificates representing the Bonds. The Registrar (or its agent on its behalf) shall, after checking that the relevant Global Certificate has been recorded on the Register correctly, authenticate such Global Certificate upon the written order of the Company and arrange for its delivery to a depositary common to Euroclear and Clearstream.

Title to the Bonds evidenced by a Global Certificate may be registered in the name of, and a Global Certificate be deposited with, such Alternative Clearing System (if applicable) other than Euroclear or Clearstream (or a nominee thereof) as the Company may from time to time select and notify in writing to the Trustee and the Principal Paying Agent and, as applicable, the Registrar, and shall bear such legend as may be appropriate.

### **3.2 Transfers of Interests in the Global Certificates**

Any transfer or exchange of an interest in the Bonds evidenced by a Global Certificate shall be effected in accordance with the rules and procedures of Euroclear or Clearstream or any relevant Alternative Clearing System (if applicable) and subject to the provisions of this Clause 3 and Schedule F (*Regulations Concerning the Transfer and Registration of Bonds*) hereto.

### **3.3 Exchange of Interests in the Global Certificates for Definitive Certificates**

**3.3.1** Definitive Certificates in respect of interests in any Bonds will not be issued in



exchange for interests in the Bonds evidenced by a Global Certificate except in the circumstances provided in Clause 3.3.2, provided that, in the event that the Company selects an Alternative Clearing System and such selection is notified in writing to the Trustee and the Principal Paying Agent and, as applicable, the Registrar, title to all or some of the Bonds may be transferred to an Alternative Clearing System or its nominee and definitive Certificates may be issued to evidence such transfer.

- 3.3.2** In the event that either Euroclear or Clearstream (or any Alternative Clearing System on behalf of which the Bonds evidenced by a Global Certificate may be held) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so, the Company will cause sufficient definitive Certificates to be executed and delivered to the Registrar in sufficient quantities as advised by the Registrar and the Registrar will authenticate the same for despatch to individual Bondholders in accordance with the Conditions, Clause 3.3.3 and Schedule F (*Regulations Concerning the Transfer and Registration of Bonds*) hereto.
- 3.3.3** Upon one of the events set forth in Clause 3.3.2 occurring, a holder of Bonds represented by a Global Certificate will provide the Registrar with a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such definitive Certificates.
- 3.3.4** Upon receipt of the Certificates referred to in Clause 3.3.2 and the written order referred to in Clause 3.3.3, the Registrar shall arrange for the execution and delivery to or upon the order of the person or persons named in such order of an individual definitive Certificate representing Bonds registered in the name or names requested by such person or persons and the Registrar shall alter the entries in the Register in respect of the Bonds accordingly. Payment will only be made to the person whose name appears on the Register.

### **3.4 Transfer or Exchange of Definitive Certificates**

Subject to the provisions of this Clause 3 and Schedule F (*Regulations Concerning the Transfer and Registration of Bonds*), the holder of Bonds represented by definitive Certificates may transfer or exchange such Bonds. Subject to compliance with such provisions, the relevant Transfer Agent and the Registrar shall register the transfer of Bonds represented by definitive Certificates in accordance with Clauses 11 and 12 below.

### **3.5 Restricted Transfer Periods**

Notwithstanding anything herein to the contrary, no Bondholder may require the transfer of a Bond during any of the periods set forth in Condition 3(E) (*Closed Periods*).

## **4 The Trustee**

### **4.1 Agents to act for Trustee**

The Agents shall on notice in writing by the Trustee made at any time after a Winding-Up has occurred and is continuing and until notified in writing by the Trustee to the contrary, so far as permitted by applicable law:

- 4.1.1** act as agents of the Trustee under the Trust Deed and the Bonds on the terms of this Agreement (with consequential amendments as necessary and except that the Trustee's liability under this Agreement for the indemnification, remuneration and expenses of

the Agents will be limited to the amounts for the time being held by the Trustee in respect of the Bonds on the terms of the Trust Deed) and thereafter to hold all Certificates and all monies, documents and records held by them in respect of the Bonds to the order of the Trustee; or

- 4.1.2** deliver all Certificates and all monies, documents and records held by them in respect of the Bonds to the Trustee or as the Trustee directs in such notice or subsequently, provided that this Clause 4.1.2 shall not apply to any documents or records which the relevant Agent is obliged not to release by any applicable law or regulation to which it is subject.

At any time after a Winding-Up has occurred and is continuing the Trustee may also, by notice in writing to the Company require the Company to make all subsequent payments in respect of the Bonds to or to the order of the Trustee and not the Principal Paying Agent. The Company's obligation to make any payment to the Principal Paying Agent under this Agreement or the Bonds shall be deemed satisfied upon any such payment to or to the order of the Trustee, as if the payment has been made to or to the order of the Principal Paying Agent.

## **4.2 Notices of change of the Trustee**

The Company shall forthwith notify the Principal Paying Agent and the Registrar in writing of any change in the person or persons comprising the Trustee.

## **5 Payment**

### **5.1 Payment to the Principal Paying Agent**

The Company shall, not later than 10.00 a.m. (local time in the city of the Principal Paying Agent's specified office) on the second Business Day preceding each date on which any payment in respect of the Bonds becomes due and payable, transfer or procure to be transferred in the manner provided for in Clause 5.8 to the Principal Paying Agent or to its order such amount as may be required for the purposes of such payment. In this Clause 5, the date on which a payment in respect of the Bonds becomes due means the first date on which the holder of a Bond could claim the relevant payment under the Conditions, but disregarding the necessity for it to be a business day in any particular place of presentation.

All amounts deposited with the Trustee or any Agent for the payment of the Bonds to the Bondholders but which have not been paid due to the subsequent conversion of such Bonds or otherwise shall be promptly returned to the Company following the Company's written request, provided that no interest shall accrue on such amounts and be payable to the Company by the Trustee or any Agent.

### **5.2 Pre-advice of Payment**

The Company shall ensure that no later than 10.00 a.m. (local time in the city of the Principal Paying Agent's specified office) on the third Business Day preceding the date on which the payment to the Principal Paying Agent required by Clause 5.1 is to be made that the Principal Paying Agent shall receive a copy of an irrevocable payment instruction from the Company, to the bank through which such payment is to be made or, alternatively, the bank through which such payment is to be made will send to the Principal Paying Agent via facsimile or email a copy of the confirmation that it has received an irrevocable payment instruction from the Company to make the relevant payment, in any such case, confirming the relevant account details, the amount and the value date for such payment.

### **5.3 Payment by Paying Agents**

Subject as provided in Clause 5.7, each of the Paying Agents shall, subject to and in accordance with the Conditions, pay or cause to be paid on behalf of the Company on and after each due date therefor the amounts due in respect of the Bonds and shall be entitled to claim any amounts so paid from the Principal Paying Agent. Notwithstanding the foregoing, however, unless and until the full amount of any such payment has been received by the Principal Paying Agent in cleared funds or other arrangements satisfactory to the Principal Paying Agent in its absolute discretion have been made, none of the Paying Agents will be bound to make such payments. For the avoidance of doubt, the Principal Paying Agent shall not be responsible or liable for determining the sufficiency or insufficiency of any amounts so paid and neither the Principal Paying Agent nor any other Agent shall be responsible to the Bondholders or any other person for any loss arising from any failure by it to do so.

### **5.4 Notification of Non-payment**

The Principal Paying Agent shall as soon as reasonably practicable notify by email each of the other Paying Agents, the Company and the Trustee if it has not received the amount referred to in Clause 5.1 by the time specified for its receipt, unless it is satisfied that it will receive such amount.

### **5.5 Late Payment**

The Principal Paying Agent shall as soon as reasonably practicable notify by email each of the other Paying Agents, the Company and the Trustee if, at any time following the giving of a notice by the Principal Paying Agent under Clause 5.4 either any payment provided for in Clause 5.1 is made on or after its due date but otherwise in accordance with this Agreement or the Principal Paying Agent is satisfied in its absolute discretion that it will receive such payment.

### **5.6 Suspension of Payment by Paying Agents**

- 5.6.1** Upon receipt of a notice from the Principal Paying Agent under Clause 5.4 and until receipt of a notice given by the Principal Paying Agent pursuant to Clause 5.5, each Paying Agent shall cease making payments in accordance with Clause 5.3 as soon as is reasonably practicable.
- 5.6.2** Upon receipt of a notice from the Principal Paying Agent under Clause 5.5, each Paying Agent shall as soon as reasonably practicable make, or shall as soon as reasonably practicable recommence making, payments in accordance with Clause 5.3.
- 5.6.3** The Principal Paying Agent shall as soon as reasonably practicable notify the Trustee in writing of any non-payment of principal in respect of the Bonds on the respective due date therefor.

### **5.7 Reimbursements of Paying Agents**

The Principal Paying Agent shall on demand as soon as reasonably practicable reimburse each Paying Agent for payments in respect of the Bonds properly made by it in accordance with the Conditions and this Agreement.

### **5.8 Method of payment to Principal Paying Agent**

All sums payable to the Principal Paying Agent in accordance with Clause 5.1 will be paid in United States dollars in immediately available and cleared funds to such account with such

bank as the Principal Paying Agent may from time to time notify to the Company such notification given at least 10 calendar days prior to the relevant payment date.

## **5.9 Moneys held by Principal Paying Agent**

Subject to the terms of this Agreement, the Principal Paying Agent may deal with moneys paid to it under this Agreement in the same manner as other moneys paid to it as an agent by its customers except that (1) it may not exercise any lien, right of set-off or similar claim in respect of them; (2) it shall not be liable to anyone for interest on any sums held by it under this Agreement and (3) it shall not be required to segregate any sums held by it except as required by law. Any moneys held by the Principal Paying Agent will not be subject to the rules and regulations relating to client monies of the relevant regulatory authorities pursuant to applicable law of any other relevant jurisdiction.

## **5.10 Partial Payments**

If on presentation or surrender of a Certificate only part of the amount payable in respect of it is paid (except as a result of a deduction of tax permitted by the Conditions), the Agent to whom it is presented shall procure that it is enfaced with a memorandum of the amount paid and the date of payment and shall return it to the person who presented or surrendered it. Upon making payment of only part of the amount payable in respect of any Bond, the Registrar shall make a note of the details of such payment in the Register.

## **5.11 Shortfall**

If the Principal Paying Agent shall make payment in respect of any of the Bonds before it has received in cleared funds or has been made available to its order the amount so paid, the Company shall from time to time on demand pay to the Principal Paying Agent, in addition to the amount which should have been paid hereunder, interest on such shortfall calculated on a 360-day year consisting of 12 months of 30 days each basis and the actual number of days elapsed and at the rate per annum which is two per cent. per annum over its cost of funds for the time being in relation to the unpaid amount until the receipt in full by the Principal Paying Agent (or the Trustee, in case of Clause 4.1) of the unpaid amount. Nothing contained within this Clause 5.11 shall make the Principal Paying Agent obliged to make payment to the Bondholders until such time as it has received the full amount of funds or been able to identify or confirm receipt of such funds.

# **6 Conversion**

## **6.1 Conversion Duties of Conversion Agents:**

**6.1.1** In respect of a conversion of the Bonds other than the Mandatory Conversion, each Conversion Agent shall from 9:00 a.m. to 3:00 p.m. on any business day (being a day other than a Saturday or Sunday on which commercial banks are open for business in the city in which the Conversion Agent's specified office is located) during the Voluntary Conversion Period or the Strategic Investor Conversion Period, at the case may be, at the specified office of the relevant Conversion Agent accept deposit on behalf of the Company of any definitive Certificates in respect of Bonds which the holder thereof desires to convert (and in respect of which Bond a Voluntary Conversion Notice is deposited with that Conversion Agent pursuant to the Conditions) together with a Voluntary Conversion Notice duly completed and signed, together with evidence in relation to any taxes and/or capital, stamp, issue and registration and transfer taxes and duties and any other amounts payable or paid under Condition 6(B)(vi) (*Stamp Duty etc.*). Once deposited, a Voluntary Conversion Notice may not be withdrawn

without the written consent of the Company.

- 6.1.2** In respect of the Mandatory Conversion, under the Conditions, a duly executed Mandatory Conversion Notice shall be delivered by the Company to the Bondholders, the Trustee and the Agents no later than ten business days prior to the Maturity Date (the date on which such Mandatory Conversion Notice is delivered, the “**Delivery Date**”). Where the Company shall have delivered the Mandatory Conversion Notice relating to the Mandatory Conversion, upon receiving the Mandatory Conversion Notice and no later than five days prior to the Maturity Date (the “**Expiry Date**”), Bondholders shall provide the Company and the Conversion Agent with the Mandatory Conversion Reply Form, surrender the Certificate in respect of their Bonds and pay any amounts required to be paid by the Bondholder under Condition 6(B)(vi) (*Stamp Duty etc.*). Each Conversion Agent shall from 9:00 a.m. to 3:00 p.m. on any business day during the period from and including the Delivery Date to and including the Expiry Date at the specified office of the relevant Conversion Agent accept deposit on behalf of the Company of any definitive Certificates in respect of Bonds to be converted pursuant to the Mandatory Conversion (and in respect of which Bond a Mandatory Conversion Reply Form is deposited with that Conversion Agent on or prior to the Expiry Date) together with a Mandatory Conversion Reply Form duly completed and signed, together with evidence in relation to any taxes and/or capital, stamp, issue and registration and transfer taxes and duties and any other amounts payable or paid under Condition 6(B)(vi) (*Stamp Duty etc.*). Once deposited, a Mandatory Conversion Reply Form may not be withdrawn without the written consent of the Company.

For the purpose of this Clause 6.1, “**business day**” means a day other than a Saturday or Sunday on which banks are open for business in the city in which the specified office of the Registrar (if a Certificate is deposited with it in connection with a transfer or conversion) or the Transfer Agent with whom a Certificate is deposited in connection with a transfer or conversion, is located.

- 6.2 Global Certificate:** Conversion of Bonds represented by a Global Certificate shall be conducted in the manner set out in Clause 6.1 above, provided that:

- 6.2.1** the Global Certificate needs not be deposited with the Conversion Agent together with the relevant Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be;
- 6.2.2** the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, for Bonds represented by the Global Certificate may be completed and deposited by or on behalf of an account holder of Clearstream or Euroclear or an Alternative Clearing System (in which the Bond to be converted is held at such time) which has an interest in such Bonds;
- 6.2.3** Bonds which have been converted will be cancelled forthwith and the Global Certificate shall be annotated accordingly without cancellation of the Global Certificate; and
- 6.2.4** the holding of an interest in Bonds by an account holder of Clearstream or Euroclear or an Alternative Clearing System in which the Bonds are held at such time in respect of which the Bonds are to be converted will be confirmed by the relevant clearing system with the Conversion Agent.

- 6.3 Certificates held by Conversion Agents:** On deposit of a Certificate and/or a Voluntary Conversion Notice and/or a Mandatory Conversion Reply Form, as the case may be, in

accordance with Clause 6.1, the Certificate, the Voluntary Conversion Notice and the Mandatory Conversion Reply Form, as the case may be, so deposited shall be deemed to be held by the Conversion Agent as the agent of the Company. The Conversion Agent shall cancel as soon as reasonably practicable upon the Conversion Date the Certificates representing the Bonds and (unless the Conversion Agent is also the Principal Conversion and Transfer Agent ) despatch such cancelled Certificates as soon as reasonably practicable to or to the order of the Principal Conversion and Transfer Agent or its designated agent for destruction, together with a certificate stating the identifying numbers of the Bonds in respect of which the relevant Certificates have been delivered and the identifying numbers of the relevant Certificates.

#### **6.4 Notification by Conversion Agents:**

**6.4.1** As soon as reasonably practicable following deposit of a Certificate (if required) and/or Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, the Conversion Agent with which they were deposited shall check that the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, has been duly completed in relation to the Bonds, which are the subject of the purported conversion, in accordance with its terms and purports to have been signed by or on behalf of the Bondholder named therein and that (if required) the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, is accompanied by all Certificates to which it relates and endorse the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, to that effect. Following receipt of original Voluntary Conversion Notices or Mandatory Conversion Reply Forms, as the case may be, (if any) in accordance with this Clause 6.4, the Conversion Agent will send by post to the Company the original Voluntary Conversion Notice(s) or Mandatory Conversion Reply Forms, as the case may be, if received, as soon as practicable.

**6.4.2** As soon as reasonably practicable following receipt of the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, by a Conversion Agent and the fulfilment of the conditions in Clause 6.4.1, such Conversion Agent shall:

- (i) send by email a copy of such Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, to (if such Conversion Agent is not the Principal Conversion and Transfer Agent) the Principal Conversion and Transfer Agent, the Company and the Calculation Agent; and
- (ii) cancel as soon as reasonably practicable upon the Conversion Date all Certificates delivered with such Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, and despatch such cancelled Certificates as soon as reasonably practicable (together with a certificate stating the certificate numbers of the Bonds so delivered), to or to the order of the Principal Conversion and Transfer Agent or its designated agent, who shall destroy such cancelled Certificates.

**6.4.3** Upon receipt of the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, by the Conversion Agent as a result of deposit of the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, by a converting Bondholder with the Conversion Agent and fulfilment of the conditions in Clause 6.4.1, the Conversion Agent shall as soon as reasonably practicable and in any event not later than two business days following such receipt by the Conversion Agent:

- (i) complete and send to the Company by email a notice in the form appearing in Schedule D hereto (*Agent Conversion Notification*) (an “**Agent Conversion Notification**”) (together with a copy of the Voluntary Conversion Notice(s) or Mandatory Conversion Reply Form, as the case may be):
- (ii) cancel as soon as reasonably practicable upon the Conversion Date all Certificates delivered with such Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, and procure the destruction of such cancelled Certificates; and
- (iii) without any further notice or confirmation from the Company and in any event no later than the Conversion Date, notify the Registrar to remove the name of the relevant Bondholder from the Register or reduce the corresponding principal amount of Bonds evidenced by a Global Certificate, where appropriate.

**6.4.4** Where a Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, is received which requires the Shares on conversion of the Bonds to which it relates to be dealt with in different ways for specified principal amounts (which must be U.S.\$1,000 each or integral multiples of U.S.\$1 in excess thereof) of Bonds, the Conversion Agent receiving the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, may, and if requested by the Bondholder depositing the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, shall, treat each specified principal amount of Bonds as if it were subject to its own Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, and prepare and send the details referred to in Clause 6.4.3 separately for each such specified principal amount (and, for the avoidance of doubt so they are not aggregated for the purpose of calculating the number of Shares issuable on conversion).

## **6.5 Delivery:**

**6.5.1** Upon receipt of the relevant Agent Conversion Notification, the Company will as soon as practicable send notification (substantially in the form specified in Schedule E (*Notification from the Company*) hereto) by email to the Conversion Agent which has initially received the relevant Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, (and will send a copy to the Principal Conversion and Transfer Agent (if it is not the Conversion Agent which received the relevant Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be) and the Registrar), in the case of a Bond to be converted and in respect of which a Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, was deposited, confirming that (i) delivery, despatch or payment in accordance with such Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be (or otherwise in accordance with the converting Bondholder’s instructions) of the certificate or certificates for the relevant Shares required to be delivered upon conversion has been or will be made; and (ii) that the converting Bondholder or other person nominated in the Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, has been registered as the owner of the relevant Shares issued on conversion.

**6.5.2** None of the Agents shall have any responsibility for the Company’s failure to effect any delivery in accordance with this Clause 6.5.

## **6.6 Company to provide Voluntary Conversion Notice and Mandatory Conversion Reply**

**Form:** As soon as is practicable following a request from the Conversion Agents, the Company will provide the Conversion Agents with copies of the form of Voluntary Conversion Notice and Mandatory Conversion Reply Form (as amended from time to time). If required by any Bondholder, the Conversion Agents shall make such form of Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, available to Bondholders.

- 6.7 Notice of Adjustment:** If, while any Bonds may be convertible into Shares, there shall be any adjustment to the Conversion Price, the Company shall (i) as soon as reasonably practicable notify the Trustee and the Conversion Agent of particulars of the event giving rise to the adjustment, the Conversion Price before and after the adjustment, the date on which the adjustment takes effect and such other information in connection therewith as the Trustee may reasonably require, and (ii) promptly after the adjustment takes effect, give notice to the Bondholders stating that the Conversion Price has been adjusted and setting out the Conversion Price in effect before the adjustment, the adjusted Conversion Price and the effective date of the adjustment. However, a notice pursuant to Clause 6 of the Trust Deed correctly stating any information required to be given pursuant to this Clause 6.7 shall, as to such information, satisfy the requirements of this Clause 6.7. The Agents shall be under no duty or responsibility to determine, monitor or verify whether an event requiring adjustment of the Conversion Price has occurred or any circumstances exist which may require any adjustment of the Conversion Price, or to determine, calculate or verify the Conversion Price and/or any adjustments to it. The Agents shall be entitled to rely on without further investigation or liability all calculations, reports, opinions and determinations reached or made by the Company and/or the Independent Financial Adviser and will not be responsible to Bondholders or to the Company or any other person for any loss arising from any such failure or reliance or for any delay of the Company or the Independent Financial Adviser in making any calculation or determination or for the Company or the Independent Financial Adviser making any erroneous calculation or determination in connection with the Conversion Price or any adjustment thereto.

- 6.8 Identification Codes:** Each Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, deposited with a Conversion Agent and each email sent and letter delivered in respect of a Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, pursuant to the foregoing provisions of this Clause 6 by any Conversion Agent shall indicate the identification code designated below for that Conversion Agent, followed by the words “**China Aoyuan Group Limited U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028**”, and shall bear the lowest number previously unused by that Conversion Agent in the sequence of whole numerals starting from one and continuing in uninterrupted sequence upwards, for identification. All confirmatory or subsequent communications (regardless of the identity of the sender or the recipient thereof) with regard to the conversion, receipt, delivery and/or payment of Shares and/or any other securities, property and cash relating to such Voluntary Conversion Notice or Mandatory Conversion Reply Form, as the case may be, shall bear the same identifying number as well as the identification code of the relevant Conversion Agent.

The identification codes of the Conversion Agents shall be as follows:

[●]

“[●]”

Thus, by way of example, the reference to be used for the fifth Voluntary Conversion Notice deposited with the Conversion Agent and for each email and letter relating thereto would be “[●] / **China Aoyuan Group Limited Zero Coupon Mandatory Convertible Bonds due 2028 / 0005**”.

- 6.9 Conversion undertaking:** The Company and the Agents respectively undertake to comply with the Conditions with respect to conversion of the Bonds and (where so required in



accordance with the Conditions) the Company undertakes to procure that the Shares are delivered each in accordance with the provisions hereof and the Conditions. None of the Trustee or the Agents shall be under any duty or obligation to determine, calculate or verify any entitlement of Bondholders to Shares with respect to conversion of the Bonds, and none of the Agents or the Trustee shall be responsible or liable to the Bondholders, the Company or any other person for any loss arising from any failure by the Company to do so.

- 6.10 Fees and Expenses of Conversion:** The Company shall, pay all taxes and/or capital, stamp, issue and registration and transfer taxes and duties, payable in Hong Kong in respect of the allotment and issue of Shares and listing of such Shares (other than those taxes and/or capital, stamp, issue and registration and transfer taxes and duties paid or payable on conversion by the converting Bondholder as expressly provided in Condition 6(B)(vi) (*Stamp Duty etc.*)) and all expenses arising on the issue of the Shares on conversion of the Bonds, including all properly and reasonably incurred expenses and charges of the Conversion Agents in connection thereon.
- 6.11 Taxes and Duties:** Neither the Trustee nor any Agent shall be liable or responsible to pay any taxes or duties in any jurisdiction and none of them is under any obligation to determine whether the Company or a Bondholder is liable to pay any taxes and/or capital, stamp, issue and registration and transfer or similar taxes and/or duties payable in any jurisdiction or the amounts payable (if any) in connection with Condition 6(B)(vi) (*Stamp Duty etc.*) and none of them shall be liable for any failure by any Bondholders or the Company to make any such payment to the relevant tax authorities or the sufficiency of any amounts so paid.

## **7 Repayment**

If claims in respect of any Bond become void or prescribed under the Conditions, the Principal Paying Agent shall, upon written request of the Company, to the extent of any funds held by it at such time, as soon as reasonably practicable repay to the Company the amount that would have been due on such Bond if it or the relevant Certificate had been surrendered for payment before such claims became void or prescribed. Subject to Clause 18, the Principal Paying Agent shall not however be otherwise required or entitled to repay any sums received by it under this Agreement.

## **8 Redemption**

### **8.1 Notice to Principal Paying Agent**

If the Company intends to redeem all of the Bonds under Condition 8(B) (*Redemption at the Option of the Company*) before their stated maturity date, it shall at least three Business Days before the latest date for the publication of the notice of redemption required to be given to Bondholders, give written notice of such intention to the Principal Paying Agent and the Trustee stating the date on which such Bonds are to be redeemed.

### **8.2 Notice to Bondholders**

The Principal Paying Agent shall, on behalf of and at the request and expense of the Company, publish any notice to Bondholders in the form provided to it by the Company and required in connection with any such redemption as is referred to it in Clause 8.1. Such notice shall specify (a) the applicable redemption amount, (b) the date for redemption; (c) the manner in which redemption will be effected; (d) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice; and (e) such other information as the Trustee may reasonably require. In addition, the Principal Paying Agent shall send to each holder of Bonds, at its address shown in the Register, a copy of such notice.

### **8.3 Relevant Event Redemption Notices**

Each Paying Agent will keep a stock of notices (the “**Relevant Event Redemption Notice**”) in a form substantially in the form set out in Schedule G (*Form of Relevant Event Redemption Notice*) hereto. The Paying Agent with whom a duly completed and signed Relevant Event Redemption Notice and related Certificate is deposited in a valid exercise of any Bondholder’s option pursuant to Condition 8(C) (*Redemption for a Relevant Event*), or in the case of Bonds represented by a Global Certificate, a duly completed and signed Relevant Event Redemption Notice only, shall hold such Bond(s) on behalf of the depositing Bondholder (but shall not, save as provided below, release it) until the due date for redemption of the relevant Bond(s) consequent upon the exercise of such option, when subject as provided below, it shall surrender any such Certificate to itself for payment of the amount due in accordance with the Conditions and shall cause the Principal Paying Agent to pay such moneys in accordance with the directions of the Bondholder contained in the Relevant Event Redemption Notice. If any such Bond becomes immediately due and payable before the due date for its redemption, or if upon due surrender of the Certificate representing a Bond, payment of the amount due is improperly withheld or refused, the Paying Agent concerned shall mail the Certificate representing such Bond by uninsured post to, and at the risk of, the relevant Bondholder (unless the Bondholder otherwise requests and pays the costs of such insurance in advance to the relevant Paying Agent) to such address as may have been given by the Bondholder in the Relevant Event Redemption Notice or in another notice in writing to such Paying Agent or where no address has been given, to the address appearing in the Register. At the end of the period for the exercise of such option, each Paying Agent shall as soon as reasonably practicable notify the Conversion Agent of the principal amount of the Bonds in respect of which such option has been exercised with it together with the certificate numbers of the Certificates representing them and the Conversion Agent shall as soon as reasonably practicable notify such details to the Company and the Trustee. The Trustee and the Agents shall not be required to take any steps to ascertain whether a Relevant Event has occurred and shall not be responsible or liable to Bondholders, the Company or any other person for any loss arising from any failure to do so.

## **9 Cancellation, Destruction and Records**

### **9.1 Cancellation**

All Certificates representing the Bonds that are redeemed or converted, shall be cancelled as soon as reasonably practicable by the Transfer Agent to which such Certificates are surrendered for redemption or conversion of the Bonds. Such Transfer Agent shall send to the Registrar the details required by such person for the purposes of this Clause 9 and the cancelled Certificates.

### **9.2 Cancellation by the Company**

If the Company or any of its Subsidiaries purchases any Bonds that are to be cancelled in accordance with the Conditions, the Company shall forthwith notify the Registrar in writing of the principal amount of those Bonds so purchased and shall procure their cancellation.

### **9.3 Certificate of Registrar**

The Registrar shall as soon as reasonably practicable upon written request send the Company and the Trustee a certificate stating (1) the aggregate principal amount of Bonds that have been redeemed or purchased (if applicable) and cancelled, (2) the aggregate principal amount of Bonds that have been converted and cancelled and (3) the certificate numbers of the Certificates representing them (if applicable).

### **9.4 Destruction**

Unless otherwise instructed in writing by the Company or unless, in the case of a Global Certificate, it is to be returned to its holder in accordance with its terms, the Registrar (or its designated agent) shall destroy the cancelled Certificates in its possession. Upon written request by the Company, the Registrar (or its designated agent) shall as soon as reasonably practicable thereafter send to the Company a certificate giving the certificate numbers of such Certificates in numerical sequence, a copy of which shall also be sent to the Trustee.

## **9.5 Information from the Company**

The Registrar shall only be required to comply with its obligations under this Clause 9 in respect of Bonds surrendered for cancellation following a purchase of the same by the Company or any of its Subsidiaries to the extent it has been informed in writing by the Company of such purchases in accordance with Clause 9.2 above.

## **10 Replacement Certificates**

### **10.1 Replacement**

The Registrar (in such capacity, the “**Replacement Agent**”) shall issue replacement Certificates in accordance with the Conditions.

### **10.2 Cancellation**

The Replacement Agent shall cancel and, unless otherwise instructed in writing by the Company, destroy any mutilated, destroyed, stolen, lost or defaced Certificates replaced by it and, upon written request, as soon as reasonably practicable thereafter shall send the Company, the Trustee and the Principal Paying Agent a certificate giving the information specified in Clause 9.3.

### **10.3 Notification**

The Replacement Agent shall, on issuing a replacement Certificate, as soon as reasonably practicable inform the other Agents of its certificate number and of the one that it replaces.

### **10.4 Surrender after Replacement**

If a Certificate that has been replaced is surrendered to a Transfer Agent or a Paying Agent for payment or for conversion, that Transfer Agent or Paying Agent shall as soon as reasonably practicable inform the Registrar, who shall so inform the Company and the Trustee in a timely manner.

## **11 Additional Duties of the Transfer Agents**

The Transfer Agent to which a Certificate is surrendered for the transfer of, or exercise of any Bondholders’ option relating to, the Bonds represented by it shall notify the Registrar as soon as practicable of (1) the name and address of the holder of the Bond(s) appearing on such Certificate, (2) the certificate number of such Certificate and principal amount of the Bond(s) represented by it, (3) (in the case of a transfer of part only) the principal amount of the Bond(s) to be transferred, and (4) (in the case of a transfer) the name and address of the transferee to be entered on the Register and shall cancel such Certificate and forward it to the Registrar.

## **12 Additional Duties of the Registrar**

The Registrar shall maintain a Register outside the United Kingdom and Hong Kong in accordance with the Conditions and the Regulations (the initial Regulations are set out in

Schedule F (*Regulations Concerning the Transfer and Registration of Bonds*)). The Register shall show the number of issued Certificates, their principal amount, their date of issue and their certificate number (which shall be unique for each Certificate) and shall identify each Bond, record the name and address of its initial subscriber, all subsequent transfers, exercises of options and changes of ownership in respect of it, the names and addresses of its subsequent holders, details of the United States dollar account of each holder (for payment in respect of the Bonds) and the Certificate from time to time representing it. The Registrar shall at all reasonable times during normal business hours on a Business Day following prior written request make the Register available to the Company, the Principal Paying Agent, the Conversion Agent, the Trustee and the Transfer Agent or any person authorised by any of them for inspection and for the taking of copies and the Registrar shall deliver (at the cost of the Company) to such persons all such lists of holders of the Bonds, their addresses and holdings as they may request.

### **13 Regulations Concerning the Bonds**

The Company may, subject to the Conditions, from time to time with the prior written approval of the Trustee, the Principal Paying Agent and the Registrar, promulgate regulations concerning the carrying out of transfers relating to and the registration of the Bonds and the forms and evidence to be provided. Such Regulations may be changed by the Company with the prior written approval of the Trustee, the Principal Paying Agent and the Registrar. All such transfers and registrations shall be made subject to the Regulations.

### **14 Documents and Forms**

#### **14.1 Principal Paying Agent**

The Company shall provide to the Principal Paying Agent in a sufficient quantity, for distribution among the relevant Agents as required by this Agreement or the Conditions, copies of this Agreement, the Trust Deed and the Conditions (and the Principal Conversion and Transfer Agent shall make such documents available to Bondholders for inspection upon prior written request and satisfactory proof of holding and identity at all reasonable times during normal business hours, Monday to Friday except public holidays) and carry out the other functions set out in Schedule F (*Regulations Concerning the Transfer and Registration of Bonds*).

#### **14.2 Registrar**

The Company shall, upon request, provide the Registrar with enough blank Certificates (including a Global Certificate) to meet the Transfer Agent's and the Registrar's anticipated requirements for Certificates upon the issue and transfer of the Bonds, for the purpose of issuing replacement Certificates.

#### **14.3 Certificates held by Agents**

Each Agent (1) acknowledges that all forms of Certificates delivered to and held by it pursuant to this Agreement shall be held by it as custodian only and it shall not be entitled to and shall not claim any lien or other security interest on such forms, (2) shall only use such forms in accordance with this Agreement, (3) shall maintain all such forms in safe keeping, (4) shall take such security measures as may be necessary to prevent their theft, loss or destruction and (5) shall keep an inventory of all such forms and make it available to the Company, the Trustee and the other Agents at all reasonable times during normal business hours on a Business Day following prior written request and satisfactory proof of holding and identity.

### **15 Fees and Expenses**

### **15.1 Fees**

The Company shall pay to the Principal Paying Agent, the Principal Conversion and Transfer Agent and the Registrar the fees and expenses (together with any applicable value added tax thereon which may be imposed in any relevant jurisdiction) in respect of the Agents' services as are separately agreed in writing with the Principal Paying Agent, the Principal Conversion and Transfer Agent and the Registrar, and the Company needs not concern itself with their apportionment of such moneys between the Agents.

At the request of the Agents, the parties to this Agreement may from time to time during the continuance of this Agreement review the fees agreed initially pursuant to this Clause 15.1 with a view to determining whether the parties to this Agreement can mutually agree upon any changes to the fees.

### **15.2 Costs**

The Company shall also pay to the Agents on demand all out-of-pocket costs, charges and expenses (including without limitation, communication, postage and insurance (in respect of postage, delivery and courier services) expenses, any amounts properly incurred in relation to the appointment or employment of any attorney, contractor, officer, agent or delegate of any Agent, the fees and expenses of legal, financial, accounting and other advisers and any taxes thereon to the extent that they are not recoverable) properly incurred by the Agents in connection with their services under this Agreement together with any applicable value added tax, sales, stamp, issue, registration, documentary or other taxes or duties. No Agent shall have any obligation to act if it believes it will incur fees, costs, charges, expenses or other amounts for which it will not be reimbursed.

### **15.3 Taxes**

The Company hereby further undertakes to the Agents that all monies payable by the Company to each Agent and each other indemnified party (as defined in Clause 16.1) under this Clause 15 and Clause 16.1 shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company, will pay such additional amounts as will result in receipt by the relevant Agent or such other indemnified party of such amounts as would have been received by the relevant Agent or such other indemnified party under this Clause 15 or Clause 16.1 had no such withholding or deduction been required.

### **15.4 No Abatement**

The fees, commissions and expenses payable to the Agents for services rendered and the performance of their obligations under this Agreement shall not be abated by any remuneration or other amounts or profits receivable by the Agents in connection with any transaction effected by any of the Agents with or for the Company.

### **15.5 Stamp duties**

The Company will pay on demand or reimburse all stamp, issue, registration and other documentary taxes, duties, assessments or government charges (including any interest and penalties thereon or in connection therewith), if any, to which this Agreement may be subject

or payable in connection with the execution, delivery, issue, payment, performance and/or enforcement of this Agreement by the Agents.

## **15.6 Interest**

If any amount is not paid when due under this Clause 15 or Clause 16, interest on the unpaid amount shall accrue daily from the due date to the date of actual payment at a rate equal to two per cent. per annum over the cost of funds of the relevant Agent or other indemnified party and shall be paid to the relevant Agent or other indemnified party by the Company.

## **15.7 Obligations to survive**

Any outstanding obligations of the Company to the Agents under this Clause 15 which have accrued prior to the date of termination or discharge of this Agreement shall survive the termination or discharge of this Agreement and/or the Bonds no longer being outstanding and/or the resignation or removal of any of the Agents.

## **16 Indemnity**

### **16.1 By the Company**

The Company hereby unconditionally and irrevocably covenants and undertakes, on demand by the Agents, to indemnify and hold harmless each of the Agents (including any predecessor agent and their respective agents, employees, officers and directors) (each an “**indemnified party**”) against any losses, liabilities, costs, claims, actions, demands, proceedings, penalties, damages, fees, disbursements or expenses (including, but not limited to, all properly incurred costs and expenses paid or incurred in disputing or defending any of the foregoing) which it or its directors, officers, employees or agents may incur or which may be made against it or its directors, officers, employees or agents as a result of or in connection with its appointment or the exercise by them of their powers and duties hereunder or the Conditions, except such as may result from the wilful misconduct or gross negligence directly caused by such Agent or the Registrar or that of its directors, officers, employees or agents. The Agents will not be liable to the Company or any other party to this Agreement for any consequential or indirect loss (being loss of business, goodwill, opportunity or profit) or any special or punitive damages of any kind whatsoever; in each case however caused or arising and whether or not foreseeable, even if advised of the possibility of such loss or damage. Any indemnified party may enforce the provisions of this Clause 16.1 in accordance with the Contracts (Rights of Third Parties) Ordinance Act 1999.

### **16.2 Survival**

The provisions of this Clause 16 shall survive the termination or discharge of this Agreement, repayment of the Bonds and/or the resignation or removal of any Agent.

## **17 General**

### **17.1 No implicit duties**

The Agents shall be obliged to perform such duties and only such duties as are expressly set out in this Agreement and the Conditions and no implied duties or obligations of any kind (including without limitation duties or obligations of a fiduciary or equitable nature) shall be read into this Agreement or the Conditions against any of the Agents. If the Conditions are amended on or after the date hereof in a way that affects the duties expressed to be performed by any Agent, it shall not be obliged to perform such duties as so amended unless it has first

expressly approved the relevant amendment in writing.

#### **17.2 No Agency or Trust**

Notwithstanding the deposit of any Bonds or Certificates with the Agents, the Agents shall act solely as agents of the Company (or, where a notice given by the Trustee pursuant to Clause 4.1 shall not have been withdrawn, the Trustee) and shall not have any fiduciary duty or any other obligations towards or relationship of agency or trust for any Bondholder or any other person.

#### **17.3 Holder to be treated as Owner**

Except as ordered by a court of competent jurisdiction or as otherwise required by law, each Agent will treat the registered holder of a Bond as its absolute owner as provided in the Conditions (whether or not it is overdue and notwithstanding any notice of ownership or writing on it or any notice of previous loss, destruction or theft of it) and will not be liable for doing so.

#### **17.4 No Lien**

No Agent shall exercise any lien, right of set-off or similar claim against any Bondholder in respect of moneys payable by it under this Agreement.

#### **17.5 Taking of Advice**

Each Agent, at the cost of the Company, may engage and/or consult with any accountants, financial institutions, skilled persons, legal advisers, experts or professional advisers (including any auditors) of good repute selected by it and may rely conclusively upon any advice so obtained. Each Agent shall use due care in the selection of any accountant, financial institution, skilled person, legal adviser, expert or professional adviser engaged by it. Provided that it has selected the relevant advisers with due care, each Agent may act and rely upon any advice so obtained and each of the Agents and each of their respective directors, officers, employees and duly appointed agents shall be protected and shall not be liable in respect of any action taken, or omitted to be done or suffered to be taken in accordance with any advice of any such accountant, financial institution, skilled person, legal adviser, expert or professional adviser, whether such opinion or advice is obtained by or addressed to the Company, the Trustee, the Agents or any other person and notwithstanding any monetary or other limit on liability in respect thereof.

#### **17.6 Force Majeure**

Notwithstanding anything to the contrary in this Agreement, the Trust Deed, the Bonds or in any other transaction document, no Agent shall in any event be liable for any failure or delay in the performance of its obligations or the exercise of its rights, powers, discretions hereunder or thereunder if it is prevented from so performing its obligations by any circumstances beyond its control, or resulting from the general risks of investment in or the holding of assets in any jurisdiction, including, without limitation, any existing or future law or regulation, any existing or future act of supranational or regulatory body or governmental authority, existing or future law or regulation, any existing or future act of supranational or regulatory body or governmental authority, regulation of the banking or securities industry including changes in market rules or practice, currency restrictions, market conditions affecting the execution or settlement of transactions or the value of assets, breakdown, failure or malfunction of any third party transport, telecommunication, computer services or systems, nationalisation, expropriation, other governmental action, natural disasters, acts of God, pandemics, epidemics, explosion, earthquakes, typhoons, flood, fire, war whether declared or undeclared, terrorism, insurrection,

revolution, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any SWIFT or money transmission system or any other reason which is beyond the control of such Agent. The provisions of this Clause 17.6 shall survive the termination or expiry of this Agreement or the Bonds no longer being outstanding or the resignation or removal of any Agent.

#### **17.7 No Liability for interest**

No Agent shall be under any liability for interest on any moneys at any time received by it pursuant to any of the provisions of this Agreement or of the Bonds and applied by it in accordance with the provisions hereof or at the direction of the Trustee (where it is acting as the agent of the Trustee), except as otherwise provided hereunder or agreed in writing by such Agent.

#### **17.8 Instruction in writing**

Notwithstanding anything to the contrary contained in this Agreement, no Agent shall be obliged to act or omit to act in accordance with any instruction, direction or request delivered to it by the Company, unless such instruction, direction or request is delivered to such Agent in writing (which, for the avoidance of doubt, shall include emails). Each Agent may, in connection with its services hereunder, rely conclusively upon the terms of any notice, communication or other document believed by it to be genuine and to have been signed or presented by the proper person or persons.

#### **17.9 No inquiry**

The Agents may rely upon and shall not be liable for acting or refraining from acting upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person or persons. The Agents shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document.

#### **17.10 Delegations**

Each Agent may, at the cost of the Company, execute any of its powers and perform any of its duties hereunder or in relation to the Bonds directly or through agents, delegates, attorneys, counsel, accountants or other skilled persons to be selected and retained by it (each such person, a “**Delegate**”). Provided that an Agent shall have exercised due care in selecting any such Delegate, such Agent shall not be responsible or liable for any loss, liability, cost, claim, action, demand or expense whatsoever incurred by reason of the acts, omissions, misconduct, negligence, fraud or otherwise of any Delegate or any substitute of any Delegate and shall not be responsible for monitoring or supervising any such Delegate.

#### **17.11 Uncertainty**

In the event that any Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from the Company, which in its opinion, conflict with any of the provisions of this Agreement or are unclear or equivocal, it shall be entitled to refrain from taking any action without liability until the relevant parties giving such instructions, claims or demands have provided clear, unequivocal instructions or resolved the conflict to the satisfaction of such Agent or, failing which it is directed in writing by a final order or judgment of a court of competent jurisdiction.



#### **17.12 Not liable for actions**

No Agent shall be liable for any action taken or omitted by it except to the extent that a court of competent jurisdiction determines that such Agent's fraud, gross negligence or wilful misconduct was the direct cause of any loss to the Company. For the avoidance of doubt, the failure of an Agent to inform any other Agent or any clearing system of a failure on the part of the Company to meet any such claim or to make a payment by the stipulated date shall not be deemed to constitute fraud, gross negligence or wilful misconduct on the part of such Agent.

#### **17.13 Anti-Money Laundering and Terrorism**

Each Agent may, at the expense of the Company, take and instruct any agent or delegate to take any action which it in its sole discretion considers necessary so as to comply with any applicable law, regulation, request of a public or regulatory authority (including know-your-client requirements and other compliance) which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Company's accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of funds paid into or out of the Company's accounts. In certain circumstances, such action may delay or prevent the processing of the Company's instructions, the settlement of transactions over the Company's accounts or the Trustee's performance of its obligations under this Agreement, the Conditions, the Trust Deed and the Bonds. No Agent and no such agent or delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by such Agent or any agent or delegate pursuant to this Clause 17.13.

#### **17.14 Other relationships**

Each Agent and entities associated with any Agent and any of their respective officers, directors and employees may become the owner of, and/or may acquire any interest in, any Bonds or Shares with the same rights that it or he would have had if such Agent were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Company and any other persons, and may act on, or as depository, trustee or agent for, any committee or body of Bondholders or other obligations of the Company or any other person, as freely as if such Agent were not appointed under this Agreement and shall be entitled to retain and shall not in any way be liable to account to the Company the Bondholders or any other person for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

#### **17.15 List of Authorised Signatories**

The Company shall provide the Trustee and the Principal Paying Agent for itself and for delivery to each other Agent with a copy of the certified list of those Directors and other persons authorised to take action on behalf of the Company, in connection with this Agreement, the Trust Deed, the Bonds and each other agreement or document relating to the transactions herein or therein contemplated (including specimen signatures of each such person and stating whether each such person is a Director or not) and shall notify the Trustee, the Principal Paying Agent and each other Agent forthwith in writing if any of such persons ceases to be so authorised or if any additional person becomes so authorised (and shall provide a specimen signature of each such additional person so authorised and state whether each such person is a Director or not). Unless and until notified in writing of any such change, the Trustee and each Agent may rely on the certificate(s) most recently delivered to it and all instructions given in accordance with such certificate(s) shall be binding on the Company.

#### **17.16 Acting upon Instruction**

Each Agent may act upon any instrument, instruction, notice, direction or other writing believed by it to be signed or presented by the proper person, and shall not be liable to any party hereto in connection with the performance of its duties hereunder or in relation to the Conditions and/or the Bonds. The Agents, except for its own gross negligence, wilful misconduct or fraud shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document or writing and may rely conclusively on the same and shall not be liable to any person for so doing.

#### **17.17 Communication**

If any Agent receives information or instructions delivered by facsimile, electronic mail, other electronic method or other unsecured method of communication, such Agent shall have (i) no duty or obligation to verify or confirm that the person who sent such instructions is in fact a person authorised to give instructions or directions on behalf of the Company and (ii) no liability for any losses, liabilities, costs or expenses incurred or sustained by any Bondholder, the Company or any party as a result of such reliance on or compliance with such information or instructions.

#### **17.18 Information to Agents**

The Company agrees to provide such additional information as may be reasonably required by an Agent to fulfil its duties under this Agreement and/or in relation to the Bonds within five Business Days after request, provided that no such request of the Principal Paying Agent shall be required in respect of any information that the Company is obliged to or has agreed to provide to the Agents pursuant to or as contemplated in this Agreement, the Trust Deed and/or the Conditions. No Agent shall be liable in the event that it is unable to perform its duties under this Agreement and/or in relation to the Bonds as a result of not being provided by the Company with information requested by it for such purpose.

#### **17.19 Monitoring**

None of the Agents has any responsibility to (i) supervise or monitor the performance or functions of any other person under this Agreement, the Trust Deed or the Bonds or any other agreement or document relating to the transactions herein or therein contemplated or (ii) take any steps to ascertain whether any Relevant Event has occurred, and shall not be liable for not doing so.

#### **17.20 Not Responsible for Listing**

Nothing in this Agreement shall require any Agent to assume an obligation of the Company arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other applicable competent authority).

#### **17.21 Waiver of Conflict**

The Company hereby irrevocably waives, in favour of the Agents and the Trustee, any conflict of interest which may arise by virtue of the Agents and the Trustee or any affiliate of the Trustee or the Agents acting in various capacities under this Agreement, the Trust Deed and any other documents relating to the Bonds, as the case may be, or for other customers of the Agents and/or the Trustee. The Company hereby acknowledges that the Agents and the Trustee and their respective affiliates (together, the “**Agent Parties**”) may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the

Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) that the Agent Parties may not be entitled to share with the Company. The Agents will not disclose confidential information obtained from the Company to any of the Agents' other customers nor will it use on the behalf of the Company any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company agrees that the Agent Parties may deal (whether for its own or its customers' account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of this Agreement, the Trust Deed and any other documents relating to the Bonds.

#### **17.22 No Inquiry; Illegality, etc.**

No Agent shall be under any duty to enquire into or investigate the validity, accuracy or content of any document. Each Agent may refrain from doing anything in any jurisdiction if doing the relevant thing in that jurisdiction would, in its opinion, be contrary to any applicable law, rules or regulations (inclusive of directives, guidelines and interpretations promulgated by competent authorities) of that jurisdiction, or would otherwise render it liable to any person in that jurisdiction or if, in its opinion, it would not have power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power. Notwithstanding any other provision of this Agreement, each Agent shall be entitled to take any action or to refuse to take any action which such Agent regards as necessary for it to comply with any applicable law, rules or regulations (inclusive of directives, guidelines and interpretations promulgated by competent authorities) or any fiscal requirement of any governmental agency of any state, or the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system, or which would or might otherwise render it liable to any person, and each Agent may do anything which is, in its opinion, necessary to comply with any of the foregoing. No Agent shall be under any duty to monitor compliance by any party or to take any steps to ascertain whether any relevant event under the documentation relating to the Bonds has occurred.

#### **17.23 Expenditure by Agents**

Nothing contained herein shall require any Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it believes the payment or repayment of such funds or satisfactory indemnity against, or security or prefunding for, such risk or liability is not assured to it.

#### **17.24 Validity of Bonds**

The Agents shall not be responsible to anyone with respect to the legality of this Agreement or the validity or legality of the Bonds.

#### **17.25 Information covenant**

In order to comply with applicable laws relating to payments in respect of the Bonds in effect from time to time related to this Agreement, the Trust Deed and the Conditions, the Company agrees (i) to provide to each Agent sufficient information about holders or other applicable parties and/or transactions (including to the extent available any modification to the terms of such transactions) so such Agent can determine whether it has tax-related obligations under the applicable law, and (ii) that, without prejudice to Clause 17.26, each Agent shall be entitled to make any withholding or deduction from payments under this Agreement to the extent necessary to comply with the applicable law for which such Agent shall not have any liability,

and such Agent shall not have any obligation to gross-up any payment hereunder or to pay any additional amount as a result of such deduction or withholding. Such Agent shall notify the Company as soon as reasonably practicable of any such withholding or deduction. The Company shall hold indemnify and harmless each Agent for any losses it may suffer due to the actions it takes to comply with applicable laws. The terms of this Clause 17.25 shall survive the termination of this Agreement or the resignation or removal of any Agent.

#### **17.26 Agent Right to Deduct or Withhold**

Notwithstanding anything contained in this Agreement, to the extent required by any applicable law, if any Agent is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if any Agent is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon such Agent, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Agreement (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of such Agent in connection with this Agreement (other than the remuneration herein specified) or otherwise, then such Agent shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by such Agent as contemplated in this Agreement, and no Agent shall be liable to gross-up such payments.

#### **17.27 Not responsible for default**

In the case of any default by the Company in the performance of any of its obligations under this Agreement, the Trust Deed, the Conditions or the Bonds, the Agents shall have no duty or responsibility to perform any such obligations.

#### **17.28 Information from Clearing Systems**

Any Agent may rely conclusively on any certificate, letter of confirmation or other paper or document issued by Euroclear and Clearstream (or any Alternative Clearing System on behalf of whom a Global Certificate may be held) to the effect that at a particular time or during any particular period any particular person was, is or will be shown in its records as a holder of a particular Bond. No Agent shall be liable to the Company, any Bondholder or any other person by reason of having accepted as valid or not having rejected any certificate, letter of confirmation, paper or other document to such effect purporting to be issued by Euroclear and Clearstream (or any such Alternative Clearing System) and subsequently found to be forged or not authentic or not to be correct.

#### **17.29 Certificates**

Any Agent may call for and may accept as sufficient evidence of any fact or matter or of the expediency of any act a certificate of the Company or the Trustee, as the case may be, signed by an Authorised Signatory of the Company or for or on behalf of the Trustee, as applicable, in either case as to any fact or matter upon which such Agent may, in the performance of any of its obligations, require to be satisfied or to have information, and such Agent need not call for further evidence and will not be responsible or be liable to any Bondholder or any other person for any loss that may be occasioned by acting or refraining from acting in reliance on any such certificate.

### **17.30 Investments**

No Agent shall be permitted or required to make investments of any moneys at any time received by it pursuant to any of the provisions of this Agreement or of the Bonds.

### **17.31 Mutual Undertaking Regarding Information Reporting and Collection Obligations**

Each party to this Agreement shall, within ten Business Days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or the Bonds as that other party reasonably requests for the purposes of that other party's compliance with applicable law and shall notify the relevant other party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this Clause 17.31 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) applicable law; (b) fiduciary duty; or (c) duty of confidentiality.

### **17.32 Notice of Possible Withholding Under FATCA**

The Company shall notify the Trustee and each Agent in the event that it determines that any payment to be made by the Trustee and an Agent under the Bonds is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Company's obligations under this Clause 17.32 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Company, the Bonds, or both.

### **17.33 Company's Right to Redirect**

In the event that the Company determines in its sole discretion that any deduction or withholding for or on account of any Tax will be required by applicable law in connection with any payment due to any Agent on any Bonds, then the Company will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement. The Company will promptly notify the Agents of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by applicable law for the purposes of this Clause 17.33.

### **17.34 Confidentiality**

Unless ordered to do so by a court of competent jurisdiction or any regulatory body in any jurisdiction or as required by applicable law or regulations, the Agents shall not be required to disclose to any Bondholder or any other person any confidential financial or other information made available to the Agents by the Company or any of its Subsidiaries and no Bondholder shall be entitled to take any action to obtain from the Agents any such information.

## **18 Changes in Agents**

### **18.1 Appointment and Termination**

The Company may at any time appoint additional Agents and/or terminate the appointment of any Agent by giving to the Principal Paying Agent, the Principal Conversion and Transfer Agent and the Agent concerned at least 60 days' written notice to that effect, which notice shall expire at least 30 days before or after any due date for payment in respect of the Bonds. Upon any letter of appointment being executed by or on behalf of the Company and any person appointed as an Agent, such person shall become a party to this Agreement as if originally named in it and shall act as such Agent in respect of the Bonds.

## **18.2 Resignation**

Any Agent may resign at any time on giving not less than 60 days prior written notice to the Company which notice shall expire at least 30 days before or after any due date for payment in respect of the Bonds, without assigning any reason and without being responsible for any fees, costs, charges and expenses occasioned by such retirement or the appointment of any replacement. The Company hereby covenants that in the event of any Agent giving notice under this Clause 18.2 it shall use its best endeavours to procure a new Agent to be appointed and if the Company has not procured the appointment of a new Agent by the day falling 15 days prior to the expiry of such written notice, the resigning Agent shall be entitled, at the cost of the Company, to (i) appoint its replacement, or (ii) petition any court of competent jurisdiction for its resignation.

## **18.3 Condition to Resignation or Termination of the Principal Paying Agent, Principal Conversion and Transfer Agent or Registrar**

No resignation or (subject to Clause 18.5) termination of the appointment of the Principal Paying Agent, the Principal Conversion and Transfer Agent or the Registrar shall, however, take effect until a new Principal Paying Agent, a new Principal Conversion and Transfer Agent or a new Registrar, as the case may be has been appointed.

## **18.4 Change of Office**

If an Agent changes the address of its specified office in a city it shall give the Company, the Trustee and (provided such Agent is not the Principal Paying Agent) the Principal Paying Agent at least 60 days' prior written notice of the change, giving the new address and the date on which the change takes effect.

## **18.5 Automatic Termination**

The appointment of the Principal Paying Agent or the Principal Conversion and Transfer Agent shall forthwith terminate if the Principal Paying Agent or the Principal Conversion and Transfer Agent, as the case may be, becomes incapable of acting, is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of its creditors, consents to the appointment of a receiver, administrator or other similar official of all or a substantial part of its property or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for the winding up or dissolution of the Principal Paying Agent or the Principal Conversion and Transfer Agent, as the case may be, a receiver, administrator or other similar official of the Principal Paying Agent or the Principal Conversion and Transfer Agent, as the case may be, or all or a substantial part of their respective properties is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law or a public officer takes charge or control of the Principal Paying Agent or the Principal Conversion and Transfer Agent, as the case may be, or their respective properties or affairs for the purpose of rehabilitation, conservation or liquidation.

## **18.6 Delivery of Records**

If the Principal Paying Agent resigns or its appointment is terminated, it shall on the date the resignation or termination takes effect pay to the new Principal Paying Agent any amount held by it for payment of the Bonds. If the Principal Conversion and Transfer Agent resigns or its appointment is terminated, it shall on the date the resignation or termination takes effect deliver, at the cost of the Company, to the new Principal Conversion and Transfer Agent the records kept by it and all Voluntary Conversion Notices and Certificates held by it pursuant to this Agreement.

## **18.7 Successor Corporations**

Any corporation into which an Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Agent shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of such Agent, shall be the Successor Agent under this Agreement without the execution or filing of any papers or any further act on the part of any of the parties hereto.

## **18.8 Notices**

The Company shall give Bondholders and the Trustee at least 45 days' notice of any proposed appointment, termination, resignation or change under Clauses 18.1 to 18.4 (both inclusive) of which it is aware, and, as soon as practicable, and in any event no later than 14 days' prior notice of any succession under Clause 18.7 of which it is aware.

## **19 Amendment**

This Agreement may be amended by a document in writing signed by all of the parties hereto.

## **20 Communications**

### **20.1 Notices**

Any communication shall be by letter or email:

in the case of communications to the Company, to it at:

China Aoyuan Group Limited 中國奧園集團股份有限公司

19th Floor, One Peking  
1 Peking Road  
Tsim Sha Tsui, Kowloon  
Hong Kong SAR  
China

Email address: sarah.wong@aoyuangroup.com / emma.qi@aoyuangroup.com

Attention: Sarah Wong / Emma Qi

in the case of communications to the Trustee, the Principal Paying Agent, the Principal Conversion and Transfer Agent or the Registrar, to it at:

Madison Pacific Trust Limited

17th Floor, Far East Finance Centre

16 Harcourt Road, Admiralty  
Hong Kong  
Email address: [agent@madisonpac.com](mailto:agent@madisonpac.com)

Attention: Cassandra Ho

in the case of communications to the Calculation Agent, to it at:

Conv-Ex Advisors Limited  
30 Crown Place  
EC2A 4EB London  
United Kingdom

Email address: [calculation.agent@conv-ex.com](mailto:calculation.agent@conv-ex.com)

Attention: Calculation Agency Team

or any other address of which written notice has been given to the parties in accordance with this Clause 20.1. Such communications will take effect, in the case of a letter, when delivered, or in the case of a fax, when the relevant delivery receipt is received by the sender, or in the case of an email, when the email is sent to the correct email address; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-Business Day in the place of receipt shall be deemed to take effect at the opening of business on the next following Business Day in such place. Any communication delivered to any party under this Agreement which is to be sent by fax or email will be written legal evidence.

## **20.2 Notices through Principal Conversion and Transfer Agent**

All communications relating to this Agreement between (1) the Company and the Trustee and (2) any of the Agents or between the Agents themselves shall be made (except where otherwise expressly provided) through the Principal Conversion and Transfer Agent.

## **21 Notices**

### **21.1 Publication**

At the request and expense of the Company, the Principal Paying Agent shall arrange for the publication of all notices to Bondholders in the form provided to it by the Company. Notices to Bondholders shall be published in accordance with the Conditions having previously, unless the Trustee otherwise directs, been approved by the Trustee.

Without prejudice to the foregoing and the Conditions, as long as any Bonds are represented by a Global Certificate, notices will be circulated to the Bondholders through Euroclear and Clearstream.

### **21.2 Copies to the Trustee**

The Principal Paying Agent shall promptly send to the Trustee two copies of the form of every notice to be given to Bondholders and of every such notice once published.

### **21.3 Notification to be in English**



All notices, certificates, documents and other communications hereunder shall be made in the English language or shall be accompanied at the cost of the Company by a certified English translation thereof. Any certified English translation delivered hereunder shall be certified a true and accurate translation by a professionally qualified translator or by some other person competent to do so. Each Agent may rely conclusively on the accuracy and completeness of any such translation and shall not be liable to the Bondholders, the Company or any other person for so doing.

## **22 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any provision of this Agreement under the Contracts (Rights of Third Parties) Act 1999 except to the extent expressly provided for in this Agreement. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **23 Governing Law and Jurisdiction**

### **23.1 Governing Law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

### **23.2 Jurisdiction**

**23.3** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Agents and the Trustee.

### **23.4 Service of Process**

The Company irrevocably agrees to receive service of process in any Proceedings in Hong Kong in relation to this Agreement at the Company’s business address in Hong Kong, currently at 19th Floor, One Peking, 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR, China. Such service shall be deemed completed on delivery to such address (whether or not, it is forwarded to and received by the Company). If for any reason the Company ceases to be able to act as such or no longer has an address in Hong Kong, the Company irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and promptly (and in any event within 14 days) notify the other parties to this Agreement of the identity of its new agent in Hong Kong. Nothing shall affect the right to serve process in any manner permitted by law.

### **23.5 Waiver of Immunity**

The Company hereby irrevocably and unconditionally waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

## **24 Counterparts**

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a same copy of this Agreement.

## **25      Entire Agreement**

This Agreement and the Conditions contain the whole agreement between the parties relating to the subject matter of this Agreement at the date of this Agreement to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the parties in relation to the matters dealt with in this Agreement.

**SCHEDULE A**  
**VOLUNTARY CONVERSION NOTICE**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

(Please read the notes overleaf before completing this Notice.)

Name: _____	Date: _____
Address: _____	Tel No: _____
*Euroclear/Clearstream Account No _____	Fax No: _____
(*delete as appropriate) _____	_____
Signature <sup>1</sup> _____	

To: \_\_\_\_\_  
Madison Pacific Trust Limited as Conversion Agent

17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Email address: agent@madisonpac.com

Attention: Cassandra Ho

cc: China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”)

This notice is a Voluntary Conversion Notice.

I/We, being the holders of the Bonds specified below, hereby irrevocably elect to convert such Bonds into fully-paid ordinary shares of the Company (the “**Shares**”) with a par value of HK\$0.01 in accordance with the terms and conditions of the Bonds. Terms used in this Voluntary Conversion Notice and not otherwise defined have the meanings given to them in the Paying, Conversion and Transfer Agency Agreement dated [●] 2023 between the Company, Madison Pacific Trust Limited as trustee and principal conversion and transfer agent and Madison Pacific Agency and Services Pte. Ltd. as principal paying agent and registrar.

**1** Total principal amount, number and identifying numbers of Bonds to be converted:

\_\_\_\_\_

<sup>1</sup> Where the Bonds to be converted are evidenced by a Global Certificate, the Voluntary Conversion Notice need not be signed. In such a case, delivery of the Voluntary Conversion Notice will constitute confirmation by the beneficial owner of the Bonds to be converted that the information in the Voluntary Conversion Notice is true and accurate on delivery.

Total principal amount:

Total number of Bonds:

Identifying numbers of Bonds (if relevant)\*:

Identifying numbers of Certificates deposited  
in respect of Bonds to be converted (if  
relevant)\*:

N.B. If necessary, the identifying numbers of Bonds and Certificates can be attached separately.

\* Not required for Bonds represented by a Global Certificate

- 2** Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name:

Address:

Telephone Number:

Fax Number:

- 3** I/We hereby confirm that at the time of execution and deposit of this Voluntary Conversion Notice, I/we have paid to the relevant authorities any taxes and capital, stamp, issue and registration duties (“**Duties**”) arising on conversion (other than any taxes or capital or stamp duties payable in the Cayman Islands, Hong Kong or any other relevant jurisdiction in connection with the creation, issue, offering or sale of the Bonds or the execution or delivery of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement and, if relevant, in the place of the Alternative Stock Exchange, by the Company, in respect of the allotment and issue of Shares and listing of the Shares on the Hong Kong Stock Exchange or the Alternative Stock Exchange on conversion).

- 3.1** I/We certify that the amount of Duties (if any):

- 3.1.1** arising upon exercise of the Conversion Rights in the country in which such Conversion Rights are exercised, and which is payable and has been paid by me/us, is:

Amount:

Country in which Conversion Rights are exercised:

- 3.1.2** payable by me/us in any jurisdiction consequent upon the issue or transfer of Shares to or to the order of a person other than the exercising Bondholder is:

Amount:

Country in which Conversion Rights are exercised:

I/We hereby represent that the above payments have been made by us and we

understand that you will rely on this representation.

4 I/We hereby confirm that as of the date of this Voluntary Conversion Notice, I/we hold, directly or indirectly, [●] Shares.

5 I/We hereby request that [I/We be registered as holder(s) of the relevant number of Shares in the register of shareholders of the Company] [the Shares be delivered to, and registered in the name of the depositary a depositary common to Euroclear and Clearstream for credit to the securities account number specified below] or the certificates for the Shares (together with any cash, including any U.S. dollar cheque in respect of payment of any cash amount pursuant to Condition 6(A)(v) (*Fractions of Shares*)) required to be delivered upon conversion, be despatched by ordinary post (at my/our risk and expense) to the person whose name, contact person, telephone numbers, fax number and address is given below and in the manner specified below:

Name:

Contact Person:

Address:

Account Number:

Account Name:

Telephone Number:

Fax Number:

Manner of despatch:

6 The Company has notified the Conversion Agents that the Company's register of shareholders will be closed on the following dates:

[Conversion Agent to specify dates]

N.B.

- (i) This Voluntary Conversion Notice will be void unless the introductory details and Sections 1 to 5 are completed.
- (ii) Your attention is drawn to Condition 6(B) (*Conversion Procedure*) of the Bonds with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively eligible for conversion.
- (iii) Despatch of share certificates or other securities or property will be made at the risk and expense of the converting Bondholder and the converting Bondholder will be required to submit any necessary documents required in order to effect despatch in the manner specified.
- (iv) If a retroactive adjustment contemplated by the terms and conditions of the Bonds is required in respect of a conversion of Bonds, Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered or despatched in the same

manner as the Shares or cash previously issued pursuant to the relevant Voluntary Conversion Notice.

For Agent's use only:

- 1
  - (A) Bond conversion identification reference: China Aoyuan Group Limited U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028/[●]
  - (B) Date on which the Voluntary Conversion Notice is deposited with (and, if applicable, Certificate is surrendered to) the Agent: .....
  - (C) Conversion Date: .....
- 2
  - (A) Aggregate principal amount of Bonds in respect of which Certificates have been deposited for conversion:
  - (B) Conversion Price:
  - (C) Number of Shares issuable:
- 3 (if applicable) any cash payment due to converting Bondholder under Condition 6(A)(v) (*Fractions of Shares*) in respect of fractions of Shares: .....

---

The Conversion Agent must complete items 1 and 2 and (if applicable) 3, it being specified that items 2(B), 2(C) and 3 will be advised by the Calculation Agent at the request of the Company following receipt of this Voluntary Conversion Notice from the Conversion Agent.

**SCHEDULE B**  
**MANDATORY CONVERSION NOTICE**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

To: [●]  
as Bondholder

Madison Pacific Trust Limited (the “Trustee”)  
as Trustee

Madison Pacific Agency and Services Pte. Ltd.  
as Principal Paying Agent

Madison Pacific Trust Limited  
as Principal Conversion and Transfer Agent

Conv-Ex Advisors Limited  
as Calculation Agent

Reference is made to the Trust Deed between the Company and the Trustee in relation to the Bonds dated [●] 2023 (as may be amended and/or supplemented from time to time).

Capitalised terms used therein and not defined shall have the meanings given in the terms and conditions of the Bonds (the “Conditions”).

This is the Mandatory Conversion Notice referred to in the Conditions.

The Company hereby notifies the Bondholder, the Trustee and the Agents that all remaining Bonds outstanding on the business day immediately following the Voluntary Conversion Period End Date (the “Mandatory Conversion Record Date”) shall be automatically and mandatorily converted into Shares at the Maturity Date (the “Mandatory Conversion”), subject to the Conditions.

No Bondholder may require the transfer of a Bond to be registered during the period from and including the Mandatory Conversion Record Date and ending on (and including) the Maturity Date.

Upon receiving this Mandatory Conversion Notice and no later than five days prior to the Maturity Date, Bondholders shall complete, execute and deposit (at each Bondholder’s own expense) at the specified office of the Conversion Agent, with a copy to the Calculation Agent, during office hours between 9:00 a.m. and 3:00 p.m. on any business day (at the place where the Certificate(s) evidencing the Bonds the subject of the relevant Mandatory Conversion Reply Form is surrendered), with the Mandatory Conversion Reply Form in the form obtainable from the specified office of the Conversion Agent, together with the relevant Certificate in respect of the Bonds the subject of the relevant Mandatory Conversion Reply Form and pay any amounts required to be paid by the Bondholder under Condition 6(B)(vi) (*Stamp Duty etc.*).

Regards

**China Aoyuan Group Limited 中國奧園集團股份有限公司**

---

Name:

Title:



**SCHEDULE C**  
**MANDATORY CONVERSION REPLY FORM**

(Please read the notes overleaf before completing this Mandatory Conversion Reply Form.)

Name: _____	Date: _____
Address: _____	Tel No: _____
*Euroclear/Clearstream Account No _____	Fax No: _____
(*delete as appropriate) _____	_____
Signature <sup>1</sup> _____	

To: Madison Pacific Trust Limited as Conversion Agent

17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Email address: agent@madisonpac.com

Attention: Cassandra Ho

cc: China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”)

References are made to the Trust Deed between the Company and the Trustee in relation to the Bonds dated [●] 2023 (as may be amended and/or supplemented from time to time) and the Mandatory Conversion Notice from the Company dated [●].

Capitalised terms used therein and not defined shall have the meanings given in the terms and conditions of the Bonds (the “**Conditions**”).

This is the Mandatory Conversion Reply Form referred to in the Conditions.

I/We, being the holders of the Bonds specified below, hereby acknowledge that such Bonds shall be converted into fully-paid ordinary shares of the Company (the “**Shares**”) with a par value of HK\$0.01 pursuant to the Mandatory Conversion in accordance with the Conditions.

**1** Total principal amount, number and identifying numbers of Bonds to be converted:

Total principal amount: \_\_\_\_\_

Total number of Bonds: \_\_\_\_\_

<sup>1</sup> Where the Bonds to be converted are evidenced by a Global Certificate, the Mandatory Conversion Reply Form need not be signed. In such a case, delivery of the Mandatory Conversion Reply Form will constitute confirmation by the beneficial owner of the Bonds to be converted that the information in the Mandatory Conversion Reply Form is true and accurate on delivery.

Identifying numbers of Bonds (if relevant)\*: \_\_\_\_\_

Identifying numbers of Certificates deposited  
in respect of Bonds to be converted (if  
relevant)\*: \_\_\_\_\_

N.B. If necessary, the identifying numbers of Bonds and Certificates can be attached separately.

\* Not required for Bonds represented by a Global Certificate

- 2 Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

- 3 I/We hereby confirm that at the time of execution and deposit of this Mandatory Conversion Reply Form, I/we have paid to the relevant authorities any taxes and capital, stamp, issue and registration duties ("**Duties**") arising on conversion (other than any taxes or capital or stamp duties payable in the Cayman Islands, Hong Kong or any other relevant jurisdiction in connection with the creation, issue, offering or sale of the Bonds or the execution or delivery of the Trust Deed, the Agency Agreement and the Calculation Agency Agreement and, if relevant, in the place of the Alternative Stock Exchange, by the Company, in respect of the allotment and issue of Shares and listing of the Shares on the Hong Kong Stock Exchange or the Alternative Stock Exchange on conversion).

3.1 I/We certify that the amount of Duties (if any):

- 3.1.1 arising upon conversion in the country in which this Mandatory Conversion Reply Form is issued, and which is payable and has been paid by me/us, is:

Amount: \_\_\_\_\_

Country in which this Mandatory Conversion Reply  
Form is issued: \_\_\_\_\_

- 3.1.2 payable by me/us in any jurisdiction consequent upon the issue or transfer of Shares to or to the order of a person other than the Bondholder is:

Amount: \_\_\_\_\_

Country in which this Mandatory Conversion Reply  
Form is issued: \_\_\_\_\_

I/We hereby represent that the above payments have been made by us and we understand that you will rely on this representation.

- 4 I/We hereby confirm that as of the date of this Mandatory Conversion Reply Form, I/we hold,

directly or indirectly, [●] Shares.

- 5 I/We hereby request that [I/We be registered as holder(s) of the relevant number of Shares in the register of shareholders of the Company] [the Shares be delivered to, and registered in the name of the depositary a depositary common to Euroclear and Clearstream for credit to the securities account number specified below] or the certificates for the Shares (together with any cash, including any U.S. dollar cheque in respect of payment of any cash amount pursuant to Condition 6(A)(v) (*Fractions of Shares*)) required to be delivered upon conversion, be despatched by ordinary post (at my/our risk and expense) to the person whose name, contact person, telephone numbers, fax number and address is given below and in the manner specified below:

Name:

Contact Person:

Address:

Account Number:

Account Name:

Telephone Number:

Fax Number:

Manner of despatch:

- 6 The Company has notified the Conversion Agents that the Company's register of shareholders will be closed on the following dates:

[Conversion Agent to specify dates]

N.B.

- (i) This Mandatory Conversion Reply Form will be void unless the introductory details and Sections 1 to 5 are completed.
- (ii) Your attention is drawn to Condition 6(B) (*Conversion Procedure*) of the Bonds with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively eligible for conversion.
- (iii) Despatch of share certificates or other securities or property will be made at the risk and expense of the converting Bondholder and the converting Bondholder will be required to submit any necessary documents required in order to effect despatch in the manner specified.
- (iv) If a retroactive adjustment contemplated by the terms and conditions of the Bonds is required in respect of a conversion of Bonds, Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered or despatched in the same manner as the Shares or cash previously issued pursuant to the relevant Mandatory Conversion Reply Form.

For Agent's use only:

- 1      (A)      Bond conversion identification reference: China Aoyuan Group Limited U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028/[●]  
  
      (B)      Date on which the Mandatory Conversion Reply Form is deposited with (and, if applicable, Certificate is surrendered to) the Agent: .....
- (C)      Conversion Date: .....
- 2      (A)      Aggregate principal amount of Bonds in respect of which Certificates have been deposited for conversion:  
  
      (B)      Conversion Price:  
  
      (C)      Number of Shares issuable:
- 3      (if applicable) any cash payment due to converting Bondholder under Condition 6(A)(v) (*Fractions of Shares*) in respect of fractions of Shares: .....

---

The Conversion Agent must complete items 1 and 2 and (if applicable) 3, it being specified that items 2(B), 2(C) and 3 will be advised by the Calculation Agent at the request of the Company following receipt of this Mandatory Conversion Reply Form from the Conversion Agent.

**SCHEDULE D**  
**AGENT CONVERSION NOTIFICATION**

Form of notification to be sent by email by the Principal Conversion and Transfer Agent to the Company  
- see Clause 6.4.

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

To: China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “Company”)

Bonds conversion identification reference: [●] / China Aoyuan Group Limited

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028**

(A)

(B)

(C)

(D)

(E)

(F)

(G)

(H)

Regards

[name of agent]

[Identifying symbol and number]

**Explanation**

Against the letters (A) to (H) inclusive will be inserted the following information with respect to the relevant Voluntary Conversion Notice or the Mandatory Conversion Reply Form:

- (A) = name and address of converting holder of the Bonds or accountholder of Euroclear or Clearstream or other clearing system in which the Bond is held at such time;
- (B) = total number and aggregate principal amount of Bonds in respect of which a Certificate has been deposited by the same holder of the Bonds;
- (C) = identifying numbers of the Bonds;
- (D) = name(s) and address(es) of person(s) in whose name(s) the Shares issuable upon conversion are to be registered;
- (E) = the Date on which the Voluntary Conversion Notice is deposited with (and, if

applicable, Certificate is surrendered to) the Agent;

- (F) = the Conversion Date in respect of the conversion;
- (G) = name and address of person to whom share certificates etc. and, if applicable, a cheque in respect of any cash amount pursuant to Condition 6(A)(v) (*Fractions of Shares*) are to be despatched; and
- (H) = details of the securities account to be credited with such number of Shares or details to whom the certificates for the Shares shall be delivered.

**SCHEDULE E**  
**NOTIFICATION FROM THE COMPANY**

Form of notification to be sent by email by the Company to the Agent which has sent the relevant Agent Conversion Notification - see Clause 6.5.

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

To: [●]  
as Agent

A. [●] / China Aoyuan Group Limited

U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028/[●]

B. (i) [●]

(ii) [●]

(iii) [●]

C. [●]

D. [●]

Regards

**China Aoyuan Group Limited 中國奧園集團股份有限公司**

**Explanation**

Against the letters (A) to (D) inclusive will be inserted the following information with respect to the delivery of Shares upon conversion:

- (A) = the identification code and number of the Agent who is obliged (under Clause 6.4.3(i)), to send the Agent Conversion Notification in respect of the Bonds that have been converted;
- (B) = (i) the Conversion Price in effect on the Conversion Date (as determined by the Calculation Agent);
- (ii) the number of Shares delivered upon conversion (as determined by the Calculation Agent); and
- (iii) the amount of cash paid under Condition 6(A)(v) (*Fractions of Shares*) in respect of fractions of Shares (as determined by the Calculation Agent);
- (C) = the date on which the Shares were credited to the securities account or the certificates for Shares and any securities, property or cash were made available for collection; and
- (D) = the details of the securities account that the Shares were credited to or the name and address of the person to whom or to whose order the certificates for Shares and/or cash, if any, were despatched and the address to which and the manner in which they were

despatched.



**SCHEDULE F**  
**REGULATIONS CONCERNING THE TRANSFER AND REGISTRATION OF BONDS**

- 1** Each Certificate shall represent an integral number of Bonds.
- 2** The Bonds are transferable by execution of the form of transfer on each Certificate endorsed under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of two of its directors or duly authorised officers duly authorised in writing. In this Schedule F, “**transferor**” shall where the context permits or requires include joint transferors and be construed accordingly.
- 3** The Certificate issued in respect of the Bond to be transferred must be delivered for registration to the office of a Transfer Agent or the Registrar accompanied by such other evidence (including certificates and/or legal opinions) as the Transfer Agent or the Registrar may require to prove the title of the transferor or his right to transfer the Bond and his identity and, if the form of transfer is executed by some other person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that person or those persons to do so. The signature of the person effecting a transfer of a Bond shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the relevant Transfer Agent or the Registrar may require.
- 4** Unless otherwise requested by him and agreed by the Company and save as provided in the Conditions, each holder of more than one Bond shall be entitled to receive only one Certificate in respect of his holding.
- 5** Unless otherwise requested by them and agreed by the Company and save as provided in the Conditions, the joint holders of one or more Bonds shall be entitled to receive only one Certificate in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the register of the holders of Bonds in respect of the joint holding. All references to “**holder**”, “**transferor**” and “**transferee**” shall include joint holders, transferors and transferees.
- 6** The executors or administrators of a deceased holder of Bonds (not being one of several joint holders) and, in the case of the death of one or more of joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company as having any title to such Bonds.
- 7** Any person becoming entitled to Bonds in consequence of the death or bankruptcy of the holder of such Bonds may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Transfer Agent or the Registrar shall require (including legal opinions), be registered himself as the holder of such Bonds or, subject to the preceding paragraphs as to transfer, may transfer such Bonds. The Company, the Transfer Agents and the Registrar may retain any amount payable upon the Bonds to which any person is so entitled until such person shall be so registered or shall duly transfer the Bonds.
- 8** Upon the surrender of a Certificate representing any Bonds to be transferred or in respect of which an option is to be exercised or any other Bondholders’ right to be demanded or exercised, the Transfer Agent or the Registrar to whom such Bond is surrendered shall request reasonable evidence as to the identity of the person (the “**Surrendering Party**”) who has executed the form of transfer on the Certificate or other accompanying notice or documentation, as the case may be, if such signature does not conform to any list of duly authorised specimen signatures supplied by the registered holder. If the signature corresponds with the name of the registered holder, such evidence may take the form of a certifying signature by a notary public or a

recognised bank. If the Surrendering Party is not the registered holder or is not one of the persons included on any list of duly authorised persons supplied by the registered holder, the Transfer Agent or the Registrar shall require reasonable evidence (which may include legal opinions) of the authority of the Surrendering Party to act on behalf of, or in substitution for, the registered holder in relation to such Bonds.

- 9 The Company, the Registrar and the Transfer Agent shall make no charge to the holders for the registration of any holding of Bonds or any transfer of Bonds or for the issue of any Certificates or for the delivery of Certificates at the specified office of the Transfer Agent or the Registrar to whom the request for registration, transfer or delivery was delivered or by uninsured post to the address specified by the holder. If any holder entitled to receive a Certificate wishes to have it delivered to him otherwise than at the specified office of such Agent or the Registrar, such delivery shall be made upon his written request to the Transfer Agent or the Registrar, at his risk and (except where sent by uninsured post to the address specified by the holder) at his expense.
- 10 The Transfer Agent will within three Business Days (at the place of the specified office of the Transfer Agent) of a request to effect a transfer of a Bond (or within 21 days if the transfer is of a Bond represented by a Global Certificate) deliver at its specified office to the transferee or despatch by mail (at the risk of the transferee) to such address as the transferee may request, a new Certificate in respect of the Bond or Bonds transferred. In the case of a transfer or redemption of fewer than all the Bonds in respect of which a Certificate is issued, a new Certificate in respect of the Bonds not transferred or redeemed will be so delivered to the holder of the Bonds to its address appearing on the register of holders of Bonds.
- 11 The Registrar, with the prior written approval of the Trustee and the Principal Paying Agent, may promulgate any other regulations that it may deem necessary for the registration and transfer of the Bonds.

**SCHEDULE G**  
**FORM OF RELEVANT EVENT REDEMPTION NOTICE**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

By depositing this duly completed Relevant Event Redemption Notice with any Paying Agent for the Bonds the undersigned holder of such of the Bonds as are represented by the Certificate that is surrendered with this Notice and referred to below irrevocably exercises its option to have such Bonds, or the principal amount of Bonds specified below redeemed on the Relevant Event Redemption Date under Condition 8(C) (*Redemption for a Relevant Event*) of the Bonds.

[This Relevant Event Redemption Notice relates to Bonds in the aggregate principal amount of U.S.\$....., bearing the following certificate numbers:

.....  
.....  
.....  
.....  
.....  
.....

If the Certificate representing the Bonds to which this Relevant Event Redemption Notice relates is to be returned, it should be returned by post to .....]<sup>3</sup>

[For Bonds represented by a Global Certificate, this Relevant Event Redemption Notice relates to Bonds in the aggregate principal amount of U.S.\$.....held in Euroclear/Clearstream Account No:     ]<sup>4</sup>

**Payment Instructions**

Please make payment in respect of the above Bonds as follows:

\*(a)    by transfer to the registered account of the holder appearing in the Register.

\*(b)    by transfer to the following U.S. dollar account:

Bank:                     [●]

Branch Address:         [●]

Branch Code:            [●]

Account Number:        [●]

---

<sup>3</sup> To be used for Bonds represented by a Definitive Certificate.

<sup>4</sup> To be used for Bonds represented by a Global Certificate.

Account Name: [●]

\*(c) by a cheque drawn on a bank and mailed to the holder (or to the first named of joint holders) of the above Bonds at its address appearing in the Register.

\*Delete as appropriate

Signature of holder

.....

Certifying signature (2)

.....

[To be completed by recipient Paying Agent]

Received by:

.....

[Signature and stamp of Paying Agent]

At its office at: [●]

On: [●]

Notes:

- 1 The Agency Agreement provides that Certificates so returned or Certificates issued will be sent by post, uninsured and at the risk of the Bondholder, unless the Bondholder otherwise requests and pays the costs of such insurance in advance to the relevant Agent. This section need only be completed if the Certificate is not to be forwarded to the Registered Address.
- 2 The signature of any person relating to any Bonds shall conform to a list of duly authorised specimen signatures supplied by the holder of such Bonds or (if such signature corresponds with the name as it appears on the face of the Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as the Paying Agent may require. A representative of the holder should state the capacity in which he signs.
- 3 This Relevant Event Redemption Notice is not valid unless all of the paragraphs requiring completion are duly completed.
- 4 Notwithstanding the deposit of any Bonds or Certificates with the Agent, the Agent acts solely as an agent of the Company or, in the circumstances specified in the Trust Deed, the Trustee, and will not assume any obligation or responsibility towards or relationship of agency or trust for or with any of the owners or holders of the Bonds or any other third party.

**SCHEDULE H  
ELECTION NOTICE TO TRUSTEE**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

[Date]

To:

Madison Pacific Trust Limited (the “**Trustee**”)  
as Trustee

Reference is made to the Trust Deed between the Company and the Trustee in relation to the Bonds dated [●] 2023 (as may be amended and/or supplemented from time to time).

Capitalised terms used therein and not defined shall have the meanings given in the terms and conditions of the Bonds (the “**Conditions**”).

This is the Election Notice referred to in the Conditions.

Pursuant to Condition 8(H) (Strategic Investor Purchase Option) of the Conditions, the Strategic Investor hereby notifies the Bondholders, the Trustee and the Agents that it will exercise its Option to Purchase.

Upon receiving this Election Notice, the Trustee shall notify the Bondholders and shall appoint a Settlement Agent within [●] business days of such notice.

Regards

*[Name of Strategic Investor]*

---

Name:

Title:

**SCHEDULE I**  
**ELECTION NOTICE TO BONDHOLDERS**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

**U.S.\$[●] Zero Coupon Mandatory Convertible Bonds due 2028 (the “Bonds”)**

[Date]

**NOTICE IS HEREBY GIVEN TO THE BONDHOLDERS** that, pursuant to Condition 8(H) (*Strategic Investor Purchase Option*) of the terms and conditions of the Bonds (the “**Conditions**”), the Strategic Investor hereby notifies the Bondholders that it will exercise its Option to Purchase.

Capitalised terms used therein and not defined shall have the meanings given in the Conditions.

For and on behalf of

[Name of Strategic Investor]

This Agreement has been entered into on the date stated at the beginning.

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**  
as Company

By: \_\_\_\_\_

Name:

Title:

**MADISON PACIFIC TRUST LIMITED**

as Trustee

By: \_\_\_\_\_

Name:

Title:



**MADISON PACIFIC TRUST LIMITED**

as Principal Paying Agent

By: \_\_\_\_\_

Name:

Title:

**MADISON PACIFIC TRUST LIMITED**

as Principal Conversion and Transfer Agent

By: \_\_\_\_\_

Name:

Title:

**MADISON PACIFIC TRUST LIMITED**

as Registrar

By: \_\_\_\_\_

Name:

Title:

**APPENDIX 13**

**FORM OF AOYUAN PERPETUALS FISCAL AGENCY AGREEMENT**

**[See over page]**

Dated [●] 2023

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

as Company

**MADISON PACIFIC TRUST LIMITED**

as Fiscal Agent and Principal Paying Agent

and

**MADISON PACIFIC TRUST LIMITED**

as Registrar and Transfer Agent

**FISCAL AGENCY AGREEMENT**

relating to

U.S.\$[●] Senior Perpetual Capital Securities

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**This Agreement** is made on [●] 2023 **between:**

- (1) **CHINA AOYUAN GROUP LIMITED** 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, as company (the “**Company**”);
- (2) **MADISON PACIFIC TRUST LIMITED** as fiscal agent (the “**Fiscal Agent**”) and principal paying agent (the “**Principal Paying Agent**”); and
- (3) **MADISON PACIFIC TRUST LIMITED** as registrar (the “**Registrar**”) and transfer agent (the “**Transfer Agent**”).

**Whereas:**

- (A) The Company has (pursuant to a resolution of the board of directors of the Company passed on [●] 2023) authorised the issue of U.S.\$[●] in aggregate principal amount of Senior Perpetual Capital Securities (the “**Securities**”, which expression shall, where the context so admits, include the Global Certificates (as defined below) representing the Securities).
- (B) The Securities will be constituted by a deed of covenant dated [●] 2023 (as amended or supplemented from time to time, the “**Deed of Covenant**”) entered into by the Company.
- (C) The Securities will be in registered form, in the denomination of U.S.\$1,000 each and in integral multiples of U.S.\$1 in excess thereof.

## **1 Interpretation**

### **1.1 Definitions**

Terms defined in the Conditions have the same meanings in this Agreement (including the recitals hereto) unless the context otherwise requires and except where otherwise defined in this Agreement. In addition:

“**Agents**” means the Fiscal Agent, the Principal Paying Agent, the Registrar, the Transfer Agent and any other paying agents, transfer agents or their Successors or any other agent or agents as may be appointed from time to time hereunder and “**Agent**” shall mean any one of the Agents;

“**Authorised Signatory**” means, in relation to the Company, any director or any other officer of the Company who has been authorised by the Company to sign the certificates and other documents required as contemplated under this Agreement or any other transaction document on behalf of, and so as to bind, the Company and which the Company has notified in writing to the Agents as provided in Clause 16.15 of this Agreement;

“**Authority**” means any competent regulatory, prosecuting, tax or governmental authority in any jurisdiction;

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open in Hong Kong, New York and the city in which the specified office of the Principal Paying Agent and the Registrar is located;

“**Certificate**” means a certificate representing one or more Securities and, save as provided in the Conditions, comprising the entire holding by a Holder of his Securities and, save in the case of Global Certificates, being substantially in the form set out in Part B of Schedule 1 (*Form of Certificate*) and includes any replacement Certificates issued pursuant to the Conditions;



**“Clearstream”** means Clearstream Banking S.A.;

**“Common Depositary”** means, in relation to the Securities, a depositary common to Euroclear and Clearstream;

**“Conditions”** means the Terms and Conditions of the Securities (as scheduled to this Agreement and as modified from time to time in accordance with their terms), and any reference to a numbered **“Condition”** is to the correspondingly numbered provision thereof;

**“Euroclear”** means Euroclear Bank SA/NV;

**“FATCA”** means the Internal Revenue Code of 1986, as amended;

**“FATCA Withholding”** means any withholding or deduction required pursuant to an agreement described in section 1471(b) of FATCA, or otherwise imposed pursuant to sections 1471 through 1474 of FATCA, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto;

**“Global Certificates”** means, individually and collectively, the Regulation S Global Certificate, the Rule 144A Global Certificate and the IAI Global Certificate;

**“Holder”**, **“holder of the Securities”** or, in respect of a Security, **“holder”** means a person in whose name a Security is registered in the register of holders of the Securities (or, in the case of joint holders, the first named thereof);

**“IAI Global Certificate”** means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 (*Form of Global Certificates*) hereto, issued on the Issue Date to Accredited Investors (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D) within the United States;

**“outstanding”** means, in relation to the Securities, all the Securities issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption monies (including all accrued Distribution) have been duly paid to the Fiscal Agent as provided in this Agreement and remain available for payment against surrender of Certificates representing such Securities, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, and (e) the Securities represented by any Global Certificate to the extent that it shall have been exchanged for another Global Certificate in respect of the Securities or for the Certificates in definitive form pursuant to its provisions; and provided that for the purposes of (1) determination of whether the Holders of the requisite amount of outstanding Securities have given any request, demand, authorisation, direction, notice, consent or waiver under the Conditions and this Agreement, and (2) the determination of how many Securities are outstanding for the purposes of Conditions 4, 8, 19 and Clause 17, those Securities which are beneficially held by or on behalf of the Company or its Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;

**“Paying Agent”** means each paying agent appointed under this Agreement or any successor paying agent, and includes the Principal Paying Agent;

**“Regulation S”** means Regulation S under the Securities Act;

**“Regulation S Global Certificate”** means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 (*Form of Global Certificates*) hereto, issued on the

Issue Date to investors who are non-U.S. persons and outside the United States in reliance on Regulation S;

“**Regulations**” means the regulations referred to in Clause 12;

“**Rule 144A Global Certificate**” means a global certificate in registered form substantially in the form set out in Part A of Schedule 1 (*Form of Global Certificates*) hereto, issued to Qualified Institutional Buyers (as defined in Rule 144A of the Securities Act) within the United States;

“**Securities Act**” means the United States Securities Act of 1933, as amended;

“**specified office**” means each of the offices of the Agents specified herein and shall include such other office or offices as may be specified from time to time hereunder;

“**Successor**” means in relation to the Agents, such other or further person as may from time to time be appointed pursuant to this Agreement as an Agent and notice of whose appointment is given to Holders pursuant to Condition 14 (*Notices*);

“**Tax**” means any present or future taxes, duties, assessments, withholding, deductions or governmental charges of whatever nature imposed, and any related liabilities, levied, collected, withheld, deducted or assessed by or on behalf of any Authority having power to tax;

“**this Agreement**” means this Fiscal Agency Agreement; and

“**Transfer Agent**” means any person appointed as a transfer agent pursuant to this Agreement or any successor transfer agent, and includes the Transfer Agent.

## **1.2 Construction of Certain References**

References to:

**1.2.1** “**United States dollars**” and “**U.S.\$**” are to the lawful currency for the time being of the United States of America;

**1.2.2** principal and Distribution shall be construed in accordance with Condition 7 (*Taxation*);

**1.2.3** Distribution includes any additional amounts payable in relation thereto under the Conditions (including any Arrears of Distribution, Additional Distribution Amount and Step-up Distribution); and

**1.2.4** costs, charges, remuneration, indemnity payments or expenses include any withholding, value added, turnover or similar tax charged in respect thereof.

## **1.3 Headings**

Headings shall be ignored in construing this Agreement.

## **1.4 Schedules**

The Schedules are part of this Agreement and have effect accordingly.

## **1.5 Clauses**

References in this Agreement to Clauses are to clauses in this Agreement unless otherwise

stated.

## **1.6 Alternative Clearing System**

References in this Agreement to Euroclear and Clearstream shall, wherever the context so permits, be deemed to include reference to any additional or alternative clearing system (an “**Alternative Clearing System**”) selected by the Company and notified in writing to the Fiscal Agent and the Principal Paying Agent and, as applicable, the Registrar.

## **1.7 Amended Documents**

Save where the contrary is indicated, any reference in this Agreement to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or such other agreement or document as the same way have been, or may from time to time be, amended, varied, novated or supplemented.

## **2 Appointments**

The Company appoints the Agents as its agents in respect of the Securities at their respective specified offices referred to in the Securities. Each Agent accepts its appointment as agent of the Company in relation to the Securities on the terms set out in this Agreement. Each Agent agrees to perform the duties required of it by the Conditions and this Agreement. The obligations of the Agents are several and not joint.

## **3 Form of the Securities, Authentication; Transfer of Global Certificates**

### **3.1 Form of the Securities**

Securities offered and sold outside the United States in reliance on Regulation S shall be represented initially by the Regulation S Global Certificate in registered form in the principal amount of U.S.\$[●]; and Securities offered and sold within the United States to Accredited Investors (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D) in reliance on Rule 506 of Regulation D shall be represented initially by the IAI Global Certificate in registered form in the principal amount of U.S.\$[●]. Each Global Certificate will be deposited with the Common Depositary and registered in the name of a nominee of the Common Depositary. Each Global Certificate will be exchangeable for individual definitive Certificates only as set out in the relevant Global Certificate and by written application to the Registrar substantially in the form of Part D of Schedule 1 (*Form of Certificate of Exchange*) and upon surrender of the Securities to be exchanged to the Registrar.

### **3.2 Form of Certificates:**

The Certificates, if issued, will be substantially in the form set out in Part B of Schedule 1 (*Form of Certificate*) and endorsed with the Conditions.

### **3.3 The Global Certificates**

Immediately before issue of the Securities, the Company shall deliver to the Registrar duly executed Global Certificates representing the Securities. The Registrar (or its agent on its behalf) shall, after checking that the relevant Global Certificate has been recorded on the Register correctly, authenticate such Global Certificate upon the written order of the Company and arrange for its delivery to a depositary common to Euroclear and Clearstream.

Title to the Securities evidenced by a Global Certificate may be registered in the name of, and a Global Certificate be deposited with, such Alternative Clearing System (if applicable) other than Euroclear or Clearstream (or a nominee thereof) as the Company may from time to time select and notify in writing to the Fiscal Agent and the Principal Paying Agent and, as applicable, the Registrar, and shall bear such legend as may be appropriate.

### **3.4 Transfers of Interests in the Global Certificates**

Any transfer or exchange of an interest in the Securities evidenced by a Global Certificate shall be effected in accordance with the rules and procedures of Euroclear or Clearstream or any relevant Alternative Clearing System (if applicable) and subject to the provisions of this Clause 3 and Schedule 3 (*Regulations Concerning the Transfer and Registration of Securities*) hereto.

### **3.5 Exchange of Interests in the Global Certificates for Definitive Certificates**

**3.5.1** Definitive Certificates in respect of interests in any Securities will not be issued in exchange for interests in the Securities evidenced by a Global Certificate except in the circumstances provided in Clause 3.5.2, provided that, in the event that the Company selects an Alternative Clearing System and such selection is notified in writing to the Fiscal Agent and the Principal Paying Agent and, as applicable, the Registrar, title to all or some of the Securities may be transferred to an Alternative Clearing System or its nominee and definitive Certificates may be issued to evidence such transfer.

**3.5.2** In the event that (i) either Euroclear or Clearstream (or any Alternative Clearing System on behalf of which the Securities evidenced by a Global Certificate may be held) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or (ii) a Winding-Up of the Company occurs, the Company will cause sufficient definitive Certificates to be executed and delivered to the Registrar in sufficient quantities as advised by the Registrar and the Registrar will authenticate the same for despatch to individual Holders in accordance with the Conditions, Clause 3.5.3 and Schedule 3 (*Regulations Concerning the Transfer and Registration of Securities*) hereto.

**3.5.3** Upon one of the events set forth in Clause 3.5.2 occurring, a holder of Securities represented by a Global Certificate will provide the Registrar with a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such definitive Certificates.

**3.5.4** Upon receipt of the Certificates referred to in Clause 3.5.2 and the written order referred to in Clause 3.5.3, the Registrar shall arrange for the execution and delivery to or upon the order of the person or persons named in such order of an individual definitive Certificate representing Securities registered in the name or names requested by such person or persons and the Registrar shall alter the entries in the Register in respect of the Securities accordingly. Payment will only be made to the person whose name appears on the Register.

### **3.6 Signature:**

The Certificates shall be signed manually or in facsimile by an Authorised Signatory of the Company duly authorised for the purpose and authenticated manually by or on behalf of the Registrar. The Company may use a facsimile signature of a person who at the date of this Agreement is such an Authorised Signatory even if at the time of issue of any Securities he no longer holds that office. Securities represented by Certificates (including the Global

Certificates) so executed and authenticated will be binding and valid obligations of the Company.

### **3.7 Entitlement to treat holder as owner:**

The holder of any Security will (except as ordered by a court of competent jurisdiction or save as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on or the theft, destruction or loss of the Certificate issued in respect of it) and no person will be liable for so treating such holder, and no Agent shall be affected by any notice to the contrary.

### **3.8 Transfer or Exchange of Definitive Certificates**

Subject to the provisions of this Clause 3 and Schedule 3 (*Regulations Concerning the Transfer and Registration of Securities*), the holder of Securities represented by definitive Certificates may transfer or exchange such Securities. Subject to compliance with such provisions, the relevant Transfer Agent and the Registrar shall register the transfer of Securities represented by definitive Certificates in accordance with Clauses 10 and 11 below.

### **3.9 Restricted Transfer Periods**

Notwithstanding anything herein to the contrary, no Holder may require the transfer of a Security during any of the periods set forth in Condition 3(E) (*Closed Periods*).

## **4 Stamp Duties and Taxes**

### **4.1 Stamp Duties:**

The Company, so long as the Securities remain outstanding, will pay any stamp, issue, registration, documentary, transfer or other Taxes, including interest and penalties, payable in the Cayman Islands, Hong Kong, the PRC and any other relevant jurisdiction in respect of the creation, issue, and initial offering or sale of the Securities and the execution or delivery, performance or enforcement of this Agreement and/or the Securities, as the case may be. The Fiscal Agent shall not be liable to pay any such Taxes in any jurisdiction and shall not be concerned with, or obligated or required to enquire into, the sufficiency of any amount paid by the Company or any Holder for this purpose and shall not be liable for any losses or liabilities as a result of any non-payment by the Company or any Holder.

### **4.2 Change of Taxing Jurisdiction:**

If the Company becomes subject generally to the taxing jurisdiction of a territory or a taxing authority of or in that territory with power to tax other than or in addition to Cayman Islands, Hong Kong, the PRC, or any such authority of or in such territory then the Company will notify the Fiscal Agent as soon as practicable after it becomes aware and give the Fiscal Agent an undertaking in terms corresponding to the terms of Condition 7 (*Taxation*) with the substitution for, or (as the case may require) the addition to, the references in that Condition to Cayman Islands, Hong Kong, the PRC of references to that other or additional territory or authority to whose taxing jurisdiction the Company has become so subject. In such event this Agreement and the Securities will be read accordingly.

## **5 Payment**

### **5.1 Payment to the Principal Paying Agent**

The Company shall, not later than 10.00 a.m. (local time in the city of the Principal Paying

Agent's specified office) on the second Business Day preceding each date on which any payment in respect of the Securities becomes due and payable, transfer or procure to be transferred in the manner provided for in Clause 5.8 to the Principal Paying Agent or to its order such amount as may be required for the purposes of such payment. In this Clause 5, the date on which a payment in respect of the Securities becomes due means the first date on which the holder of a Security could claim the relevant payment under the Conditions, but disregarding the necessity for it to be a business day in any particular place of presentation.

## **5.2 Pre-advice of Payment**

The Company shall ensure that no later than 10.00 a.m. (local time in the city of the Principal Paying Agent's specified office) on the third Business Day preceding the date on which the payment to the Principal Paying Agent required by Clause 5.1 is to be made that the Principal Paying Agent shall receive a copy of an irrevocable payment instruction from the Company, to the bank through which such payment is to be made or, alternatively, the bank through which such payment is to be made will send to the Principal Paying Agent via facsimile or email a copy of the confirmation that it has received an irrevocable payment instruction from the Company to make the relevant payment, in any such case, confirming the relevant account details, the amount and the value date for such payment.

## **5.3 Payment by Paying Agents**

Subject as provided in Clause 5.5, each of the Paying Agents shall, subject to and in accordance with the Conditions, pay or cause to be paid on behalf of the Company on and after each due date therefor the amounts due in respect of the Securities and shall be entitled to claim any amounts so paid from the Principal Paying Agent. Notwithstanding the foregoing, however, unless and until the full amount of any such payment has been received by the Principal Paying Agent in cleared funds or other arrangements satisfactory to the Principal Paying Agent in its absolute discretion have been made, none of the Paying Agents will be bound to make such payments. For the avoidance of doubt, the Principal Paying Agent shall not be responsible or liable for determining the sufficiency or insufficiency of any amounts so paid and neither the Principal Paying Agent nor any other Agent shall be responsible to the Holders or any other person for any loss arising from any failure by it to do so.

## **5.4 Notification of Non-payment**

The Principal Paying Agent shall as soon as reasonably practicable notify by email each of the other Paying Agents, the Company and the Fiscal Agent if it has not received the amount referred to in Clause 5.1 by the time specified for its receipt, unless it is satisfied that it will receive such amount.

## **5.5 Late Payment**

The Principal Paying Agent shall as soon as reasonably practicable notify by email each of the other Paying Agents, the Company and the Fiscal Agent if, at any time following the giving of a notice by the Principal Paying Agent under Clause 5.4 either any payment provided for in Clause 5.1 is made on or after its due date but otherwise in accordance with this Agreement or the Principal Paying Agent is satisfied in its absolute discretion that it will receive such payment.

## **5.6 Suspension of Payment by Paying Agents**

**5.6.1** Upon receipt of a notice from the Principal Paying Agent under Clause 5.4 and until receipt of a notice given by the Principal Paying Agent pursuant to Clause 5.5, each

Paying Agent shall cease making payments in accordance with Clause 5.3 as soon as is reasonably practicable.

**5.6.2** Upon receipt of a notice from the Principal Paying Agent under Clause 5.5, each Paying Agent shall as soon as reasonably practicable make, or shall as soon as reasonably practicable recommence making, payments in accordance with Clause 5.3.

**5.6.3** The Principal Paying Agent shall as soon as reasonably practicable notify the Fiscal Agent in writing of any non-payment of principal or Distribution in respect of the Securities on the respective due date therefor.

## **5.7 Reimbursements of Paying Agents**

The Principal Paying Agent shall on demand as soon as reasonably practicable reimburse each Paying Agent for payments in respect of the Securities properly made by it in accordance with the Conditions and this Agreement.

## **5.8 Method of payment to Principal Paying Agent**

All sums payable to the Principal Paying Agent in accordance with Clause 5.1 will be paid in United States dollars in immediately available and cleared funds to such account with such bank as the Principal Paying Agent may from time to time notify to the Company such notification given at least 10 calendar days prior to the relevant payment date.

## **5.9 Moneys held by Principal Paying Agent**

Subject to the terms of this Agreement, the Principal Paying Agent may deal with moneys paid to it under this Agreement in the same manner as other moneys paid to it as an agent by its customers except that (1) it may not exercise any lien, right of set-off or similar claim in respect of them; (2) it shall not be liable to anyone for interest on any sums held by it under this Agreement and (3) it shall not be required to segregate any sums held by it except as required by law. Any moneys held by the Principal Paying Agent will not be subject to the rules and regulations relating to client monies of the relevant regulatory authorities pursuant to applicable law of any other relevant jurisdiction.

## **5.10 Partial Payments**

If on presentation or surrender of a Certificate only part of the amount payable in respect of it is paid (except as a result of a deduction of tax permitted by the Conditions), the Agent to whom it is presented shall procure that it is enfaced with a memorandum of the amount paid and the date of payment and shall return it to the person who presented or surrendered it. Upon making payment of only part of the amount payable in respect of any Security, the Registrar shall make a note of the details of such payment in the Register.

## **5.11 Shortfall**

If the Principal Paying Agent shall make payment in respect of any of the Securities before it has received in cleared funds or has been made available to its order the amount so paid, the Company shall from time to time on demand pay to the Principal Paying Agent, in addition to the amount which should have been paid hereunder, interest on such shortfall calculated on a 360-day year consisting of 12 months of 30 days each basis and the actual number of days elapsed and at the rate per annum which is two per cent. per annum over its cost of funds for the time being in relation to the unpaid amount until the receipt in full by the Principal Paying Agent of the unpaid amount. Nothing contained within this Clause 5.11 shall make the Principal

Paying Agent obliged to make payment to the Holders until such time as it has received the full amount of funds or been able to identify or confirm receipt of such funds.

## **6 Repayment**

If claims in respect of any Security become void or prescribed under the Conditions, the Principal Paying Agent shall, upon written request of the Company, to the extent of any funds held by it at such time, as soon as reasonably practicable repay to the Company the amount that would have been due on such Security if it or the relevant Certificate had been surrendered for payment before such claims became void or prescribed. Subject to Clause 18, the Principal Paying Agent shall not however be otherwise required or entitled to repay any sums received by it under this Agreement.

## **7 Redemption**

### **7.1 Notice to Principal Paying Agent**

If the Company intends to redeem all of the Securities under Condition 6(B) (*Redemption for Taxation Reasons*), Condition 6(C) (*Redemption for an Equity Disqualification Event*) or Condition 6(D) (*Redemption for a Step-up Distribution Event*) or to exercise its option under Condition 6(E) (*Redemption at the Option of the Company*), it shall at least three Business Days before the latest date for the publication of the notice of redemption or of exercise of the Company's option required to be given to Holders, give written notice of such intention to the Principal Paying Agent and the Fiscal Agent stating the date on which such Securities are to be redeemed.

### **7.2 Notice to Holders**

The Fiscal Agent shall, on behalf of and at the request and expense of the Company, publish any notice to Holders in the form provided to it by the Company and required in connection with any such redemption or exercise of a Company's option as is referred to it in Clause 7.1. Such notice shall specify (a) the applicable redemption amount, (b) the date for redemption or exercise of any option; (c) the manner in which redemption will be effected or the terms of the exercise of such option; and (d) the aggregate principal amount of the Securities outstanding as at the latest practicable date prior to the publication of the notice. In addition, the Fiscal Agent shall send to each holder of Securities, at its address shown in the Register, a copy of such notice.

## **8 Cancellation, Destruction, Records and Reporting Requirements**

### **8.1 Cancellation**

All Certificates representing the Securities that are redeemed shall be cancelled as soon as reasonably practicable by the Transfer Agent to which such Certificates are surrendered for redemption of the Securities. Such Transfer Agent shall send to the Registrar the details required by such person for the purposes of this Clause 8 and the cancelled Certificates.

### **8.2 Cancellation by the Company**

If the Company or any of its Subsidiaries purchases any Securities that are to be cancelled in accordance with the Conditions, the Company shall forthwith notify the Registrar in writing of the principal amount of those Securities so purchased and shall procure their cancellation.

### **8.3 Certificate of Registrar**



The Registrar shall as soon as reasonably practicable upon written request send the Company and the Fiscal Agent a certificate stating (1) the aggregate principal amount of Securities that have been redeemed or purchased (if applicable) and cancelled, and (2) the certificate numbers of the Certificates representing them (if applicable).

#### **8.4 Destruction**

Unless otherwise instructed in writing by the Company or unless, in the case of a Global Certificate, it is to be returned to its holder in accordance with its terms, the Registrar (or its designated agent) shall destroy the cancelled Certificates in its possession. Upon written request by the Company, the Registrar (or its designated agent) shall as soon as reasonably practicable thereafter send to the Company a certificate giving the certificate numbers of such Certificates in numerical sequence, a copy of which shall also be sent to the Fiscal Agent.

#### **8.5 Reporting Requirements**

The Fiscal Agent shall (on behalf of the Company) submit such reports or information as may be required from time to time in relation to the issue and purchase of Securities by applicable law, regulations and guidelines promulgated by any governmental regulatory authority agreed between the Company and the Fiscal Agent.

#### **8.6 Information from the Company**

The Registrar shall only be required to comply with its obligations under this Clause 8 in respect of Securities surrendered for cancellation following a purchase of the same by the Company or any of its Subsidiaries to the extent it has been informed in writing by the Company of such purchases in accordance with Clause 8.2 above.

### **9 Replacement Certificates**

#### **9.1 Replacement**

The Registrar (in such capacity, the “**Replacement Agent**”) shall issue replacement Certificates in accordance with the Conditions.

#### **9.2 Cancellation**

The Replacement Agent shall cancel and, unless otherwise instructed in writing by the Company, destroy any mutilated, destroyed, stolen, lost or defaced Certificates replaced by it and, upon written request, as soon as reasonably practicable thereafter shall send the Company, the Fiscal Agent and the Principal Paying Agent a certificate giving the information specified in Clause 8.3.

#### **9.3 Notification**

The Replacement Agent shall, on issuing a replacement Certificate, as soon as reasonably practicable inform the other Agents of its certificate number and of the one that it replaces.

#### **9.4 Surrender after Replacement**

If a Certificate that has been replaced is surrendered to a Transfer Agent or a Paying Agent for payment, that Transfer Agent or Paying Agent shall as soon as reasonably practicable inform the Registrar, who shall so inform the Company and the Fiscal Agent in a timely manner.

### **10 Additional Duties of the Transfer Agents**

The Transfer Agent to which a Certificate is surrendered for the transfer of the Securities represented by it shall notify the Registrar as soon as practicable of (1) the name and address of the holder of the Security(ies) appearing on such Certificate, (2) the certificate number of such Certificate and principal amount of the Security(ies) represented by it, (3) (in the case of a transfer of part only) the principal amount of the Security(ies) to be transferred, and (4) (in the case of a transfer) the name and address of the transferee to be entered on the Register and shall cancel such Certificate and forward it to the Registrar.

## **11 Additional Duties of the Registrar**

The Registrar shall maintain a Register outside the United Kingdom in accordance with the Conditions and the Regulations (the initial Regulations are set out in Schedule 3 (*Regulations Concerning the Transfer and Registration of Securities*)). The Register shall show the number of issued Certificates, their principal amount, their date of issue and their certificate number (which shall be unique for each Certificate) and shall identify each Security, record the name and address of its initial subscriber, all subsequent transfers, exercises of options and changes of ownership in respect of it, the names and addresses of its subsequent holders, details of the United States dollar account of each holder (for payment in respect of the Securities) and the Certificate from time to time representing it. The Registrar shall at all reasonable times during normal business hours on a Business Day following prior written request make the Register available at its specified office to the Company, the Principal Paying Agent, the Fiscal Agent and the Transfer Agent or any person authorised by any of them for inspection and for the taking of copies and the Registrar shall deliver (at the cost of the Company) to such persons all such lists of holders of the Securities, their addresses and holdings as they may request.

## **12 Regulations Concerning the Securities**

The Company may, subject to the Conditions, from time to time with the prior written approval of the Fiscal Agent, the Principal Paying Agent and the Registrar, promulgate regulations concerning the carrying out of transfers relating to and the registration of the Securities and the forms and evidence to be provided. Such Regulations may be changed by the Company with the prior written approval of the Fiscal Agent, the Principal Paying Agent and the Registrar. All such transfers and registrations shall be made subject to the Regulations.

## **13 Documents and Forms**

### **13.1 Fiscal Agent**

The Company shall provide to the Fiscal Agent in a sufficient quantity, for distribution among the relevant Agents as required by this Agreement or the Conditions, copies of this Agreement and the Conditions (and the Fiscal Agent shall make such documents available to Holders for inspection upon prior written request and satisfactory proof of holding and identity at all reasonable times during normal business hours, Monday to Friday except public holidays) and carry out the other functions set out in Schedule 3 (*Regulations Concerning the Transfer and Registration of Securities*).

### **13.2 Registrar**

The Company shall, upon request, provide the Registrar with enough blank Certificates (including a Global Certificate) to meet the Transfer Agent's and the Registrar's anticipated requirements for Certificates upon the issue and transfer of the Securities, for the purpose of issuing replacement Certificates.

### **13.3 Certificates held by Agents**

Each Agent (1) acknowledges that all forms of Certificates delivered to and held by it pursuant to this Agreement shall be held by it as custodian only and it shall not be entitled to and shall not claim any lien or other security interest on such forms, (2) shall only use such forms in accordance with this Agreement, (3) shall maintain all such forms in safe keeping, (4) shall take such security measures as may be necessary to prevent their theft, loss or destruction and (5) shall keep an inventory of all such forms and make it available to the Company, the Fiscal Agent and the other Agents at all reasonable times during normal business hours on a Business Day following prior written request and satisfactory proof of holding and identity.

## **14 Fees and Expenses**

### **14.1 Fees**

The Company shall pay to the Principal Paying Agent, the Fiscal Agent and the Registrar the fees and expenses (together with any applicable value added tax thereon which may be imposed in any relevant jurisdiction) in respect of the Agents' services as are separately agreed in writing with the Principal Paying Agent, the Fiscal Agent and the Registrar, and the Company needs not concern itself with their apportionment of such moneys between the Agents.

At the request of the Agents, the parties to this Agreement may from time to time during the continuance of this Agreement review the fees agreed initially pursuant to this Clause 14.1 with a view to determining whether the parties to this Agreement can mutually agree upon any changes to the fees.

### **14.2 Costs**

The Company shall also pay to the Agents on demand all out-of-pocket costs, charges and expenses (including without limitation, communication, postage and insurance (in respect of postage, delivery and courier services) expenses, any amounts properly incurred in relation to the appointment or employment of any attorney, contractor, officer, agent or delegate of any Agent, the fees and expenses of legal, financial, accounting and other advisers and any taxes thereon to the extent that they are not recoverable) properly incurred by the Agents in connection with their services under this Agreement together with any applicable value added tax, sales, stamp, issue, registration, documentary or other taxes or duties. No Agent shall have any obligation to act if it believes it will incur fees, costs, charges, expenses or other amounts for which it will not be reimbursed.

### **14.3 Taxes**

The Company hereby further undertakes to the Agents that all monies payable by the Company to each Agent and each other indemnified party (as defined in Clause 15.1) under this Clause 14 and Clause 15.1 shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which the Company is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company, will pay such additional amounts as will result in receipt by the relevant Agent or such other indemnified party of such amounts as would have been received by the relevant Agent or such other indemnified party under this Clause 14 or Clause 15.1 had no such withholding or deduction been required.

### **14.4 No Abatement**

The fees, commissions and expenses payable to the Agents for services rendered and the performance of their obligations under this Agreement shall not be abated by any remuneration or other amounts or profits receivable by the Agents in connection with any transaction effected by any of the Agents with or for the Company.

#### **14.5 Stamp duties**

The Company will pay on demand or reimburse all stamp, issue, registration and other documentary taxes, duties, assessments or government charges (including any interest and penalties thereon or in connection therewith), if any, to which this Agreement may be subject or payable in connection with the execution, delivery, issue, payment, performance and/or enforcement of this Agreement by the Agents.

#### **14.6 Interest**

If any amount is not paid when due under this Clause 14 or Clause 15, interest on the unpaid amount shall accrue daily from the due date to the date of actual payment at a rate equal to two per cent. per annum over the cost of funds of the relevant Agent or other indemnified party and shall be paid to the relevant Agent or other indemnified party by the Company.

#### **14.7 Obligations to survive**

Any outstanding obligations of the Company to the Agents under this Clause 14 which have accrued prior to the date of termination or discharge of this Agreement shall survive the termination or discharge of this Agreement and/or the Securities no longer being outstanding and/or the resignation or removal of any of the Agents.

### **15 Indemnity**

#### **15.1 By the Company**

The Company hereby unconditionally and irrevocably covenants and undertakes, on demand by the Agents, to indemnify and hold harmless each of the Agents (including any predecessor agent and their respective agents, employees, officers and directors) (each an “**indemnified party**”) against any losses, liabilities, costs, claims, actions, demands, proceedings, penalties, damages, fees, disbursements or expenses (including, but not limited to, all properly incurred costs and expenses paid or incurred in disputing or defending any of the foregoing) which it or its directors, officers, employees or agents may incur or which may be made against it or its directors, officers, employees or agents as a result of or in connection with its appointment or the exercise by them of their powers and duties hereunder or the Conditions, except such as may result from the wilful misconduct or gross negligence directly caused by such Agent or the Registrar or that of its directors, officers, employees or agents. The Agents will not be liable to the Company or any other party to this Agreement for any consequential or indirect loss (being loss of business, goodwill, opportunity or profit) or any special or punitive damages of any kind whatsoever; in each case however caused or arising and whether or not foreseeable, even if advised of the possibility of such loss or damage. Any indemnified party may enforce the provisions of this Clause 15.1 in accordance with the Contracts (Rights of Third Parties) Ordinance Act 1999.

#### **15.2 Survival**

The provisions of this Clause 15 shall survive the termination or discharge of this Agreement, repayment of the Securities and/or the resignation or removal of any Agent.

## **16 General**

### **16.1 No implicit duties**

The Agents shall be obliged to perform such duties and only such duties as are expressly set out in this Agreement and the Conditions and no implied duties or obligations of any kind (including without limitation duties or obligations of a fiduciary or equitable nature) shall be read into this Agreement or the Conditions against any of the Agents. If the Conditions are amended on or after the date hereof in a way that affects the duties expressed to be performed by any Agent, it shall not be obliged to perform such duties as so amended unless it has first expressly approved the relevant amendment in writing.

### **16.2 No Agency or Trust**

Notwithstanding the deposit of any Securities or Certificates with the Agents, the Agents shall act solely as agents of the Company and shall not have any fiduciary duty or any other obligations towards or relationship of agency or trust for any Holder or any other person.

### **16.3 Holder to be treated as Owner**

Except as ordered by a court of competent jurisdiction or as otherwise required by law, each Agent will treat the registered holder of a Security as its absolute owner as provided in the Conditions (whether or not it is overdue and notwithstanding any notice of ownership or writing on it or any notice of previous loss, destruction or theft of it) and will not be liable for doing so.

### **16.4 No Lien**

No Agent shall exercise any lien, right of set-off or similar claim against any Holder in respect of moneys payable by it under this Agreement.

### **16.5 Taking of Advice**

Each Agent, at the cost of the Company, may engage and/or consult with any accountants, financial institutions, skilled persons, legal advisers, experts or professional advisers (including any auditors) of good repute selected by it and may rely conclusively upon any advice so obtained. Each Agent shall use due care in the selection of any accountant, financial institution, skilled person, legal adviser, expert or professional adviser engaged by it. Provided that it has selected the relevant advisers with due care, each Agent may act and rely upon any advice so obtained and each of the Agents and each of their respective directors, officers, employees and duly appointed agents shall be protected and shall not be liable in respect of any action taken, or omitted to be done or suffered to be taken in accordance with any advice of any such accountant, financial institution, skilled person, legal adviser, expert or professional adviser, whether such opinion or advice is obtained by or addressed to the Company, the Agents or any other person and notwithstanding any monetary or other limit on liability in respect thereof.

### **16.6 Force Majeure**

Notwithstanding anything to the contrary in this Agreement, the Securities or in any other transaction document, no Agent shall in any event be liable for any failure or delay in the performance of its obligations or the exercise of its rights, powers, discretions hereunder or thereunder if it is prevented from so performing its obligations by any circumstances beyond its control, or resulting from the general risks of investment in or the holding of assets in any jurisdiction, including, without limitation, any existing or future law or regulation, any existing or future act of supranational or regulatory body or governmental authority, existing or future

law or regulation, any existing or future act of supranational or regulatory body or governmental authority, regulation of the banking or securities industry including changes in market rules or practice, currency restrictions, market conditions affecting the execution or settlement of transactions or the value of assets, breakdown, failure or malfunction of any third party transport, telecommunication, computer services or systems, nationalisation, expropriation, other governmental action, natural disasters, acts of God, pandemics, epidemics, explosion, earthquakes, typhoons, flood, fire, war whether declared or undeclared, terrorism, insurrection, revolution, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any SWIFT or money transmission system or any other reason which is beyond the control of such Agent. The provisions of this Clause 16.6 shall survive the termination or expiry of this Agreement or the Securities no longer being outstanding or the resignation or removal of any Agent.

#### **16.7 No Liability for interest**

No Agent shall be under any liability for interest on any moneys at any time received by it pursuant to any of the provisions of this Agreement or of the Securities and applied by it in accordance with the provisions hereof, except as otherwise provided hereunder or agreed in writing by such Agent.

#### **16.8 Instruction in writing**

Notwithstanding anything to the contrary contained in this Agreement, no Agent shall be obliged to act or omit to act in accordance with any instruction, direction or request delivered to it by the Company, unless such instruction, direction or request is delivered to such Agent in writing (which, for the avoidance of doubt, shall include emails). Each Agent may, in connection with its services hereunder, rely conclusively upon the terms of any notice, communication or other document believed by it to be genuine and to have been signed or presented by the proper person or persons.

#### **16.9 No inquiry**

The Agents may rely upon and shall not be liable for acting or refraining from acting upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person or persons. The Agents shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document.

#### **16.10 Delegations**

Each Agent may, at the cost of the Company, execute any of its powers and perform any of its duties hereunder or in relation to the Securities directly or through agents, delegates, attorneys, counsel, accountants or other skilled persons to be selected and retained by it (each such person, a “**Delegate**”). Provided that an Agent shall have exercised due care in selecting any such Delegate, such Agent shall not be responsible or liable for any loss, liability, cost, claim, action, demand or expense whatsoever incurred by reason of the acts, omissions, misconduct, negligence, fraud or otherwise of any Delegate or any substitute of any Delegate and shall not be responsible for monitoring or supervising any such Delegate.

#### **16.11 Uncertainty**

In the event that any Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from the Company, which in its opinion, conflict with any of

the provisions of this Agreement or are unclear or equivocal, it shall be entitled to refrain from taking any action without liability until the relevant parties giving such instructions, claims or demands have provided clear, unequivocal instructions or resolved the conflict to the satisfaction of such Agent or, failing which it is directed in writing by a final order or judgment of a court of competent jurisdiction.

#### **16.12 Not liable for actions**

No Agent shall be liable for any action taken or omitted by it except to the extent that a court of competent jurisdiction determines that such Agent's fraud, gross negligence or wilful misconduct was the direct cause of any loss to the Company. For the avoidance of doubt, the failure of an Agent to inform any other Agent or any clearing system of a failure on the part of the Company to meet any such claim or to make a payment by the stipulated date shall not be deemed to constitute fraud, gross negligence or wilful misconduct on the part of such Agent.

#### **16.13 Anti-Money Laundering and Terrorism**

Each Agent may, at the expense of the Company, take and instruct any agent or delegate to take any action which it in its sole discretion considers necessary so as to comply with any applicable law, regulation, request of a public or regulatory authority (including know-your-client requirements and other compliance) which relates to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on the Company's accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of funds paid into or out of the Company's accounts. In certain circumstances, such action may delay or prevent the processing of the Company's instructions, the settlement of transactions over the Company's accounts or the Fiscal Agent's performance of its obligations under this Agreement, the Conditions and the Securities. No Agent and no such agent or delegate will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by such Agent or any agent or delegate pursuant to this Clause 16.13.

#### **16.14 Other relationships**

Each Agent and entities associated with any Agent and any of their respective officers, directors and employees may become the owner of, and/or may acquire any interest in, any Securities with the same rights that it or he would have had if such Agent were not appointed under this Agreement, and may engage or be interested in any financial or other transaction with the Company and any other persons, and may act on, or as depository, trustee or agent for, any committee or body of Holders or other obligations of the Company or any other person, as freely as if such Agent were not appointed under this Agreement and shall be entitled to retain and shall not in any way be liable to account to the Company the Holders or any other person for any profit made or share of brokerage or commission or remuneration or other amount or benefit received thereby or in connection therewith.

#### **16.15 List of Authorised Signatories**

The Company shall provide the Fiscal Agent and the Principal Paying Agent for itself and for delivery to each other Agent with a copy of the certified list of those directors of the Company and other persons authorised to take action on behalf of the Company, in connection with this Agreement, the Securities and each other agreement or document relating to the transactions herein or therein contemplated (including specimen signatures of each such person and stating whether each such person is a Director or not) and shall notify the Fiscal Agent, the Principal

Paying Agent and each other Agent forthwith in writing if any of such persons ceases to be so authorised or if any additional person becomes so authorised (and shall provide a specimen signature of each such additional person so authorised and state whether each such person is a Director or not). Unless and until notified in writing of any such change, each Agent may rely on the certificate(s) most recently delivered to it and all instructions given in accordance with such certificate(s) shall be binding on the Company.

#### **16.16 Acting upon Instruction**

Each Agent may act upon any instrument, instruction, notice, direction or other writing believed by it to be signed or presented by the proper person, and shall not be liable to any party hereto in connection with the performance of its duties hereunder or in relation to the Conditions and/or the Securities. The Agents, except for its own gross negligence, wilful misconduct or fraud shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document or writing and may rely conclusively on the same and shall not be liable to any person for so doing.

#### **16.17 Communication**

If any Agent receives information or instructions delivered by facsimile, electronic mail, other electronic method or other unsecured method of communication, such Agent shall have (i) no duty or obligation to verify or confirm that the person who sent such instructions is in fact a person authorised to give instructions or directions on behalf of the Company and (ii) no liability for any losses, liabilities, costs or expenses incurred or sustained by any Holder, the Company or any party as a result of such reliance on or compliance with such information or instructions.

#### **16.18 Information to Agents**

The Company agrees to provide such additional information as may be reasonably required by an Agent to fulfil its duties under this Agreement and/or in relation to the Securities within five Business Days after request, provided that no such request of the Principal Paying Agent shall be required in respect of any information that the Company is obliged to or has agreed to provide to the Agents pursuant to or as contemplated in this Agreement and/or the Conditions. No Agent shall be liable in the event that it is unable to perform its duties under this Agreement and/or in relation to the Securities as a result of not being provided by the Company with information requested by it for such purpose.

#### **16.19 Monitoring**

None of the Agents has any responsibility to supervise or monitor the performance or functions of any other person under this Agreement or the Securities or any other agreement or document relating to the transactions herein or therein contemplated and shall not be liable for not doing so.

#### **16.20 Not Responsible for Listing**

Nothing in this Agreement shall require any Agent to assume an obligation of the Company arising under any provision of the listing, prospectus, disclosure or transparency rules (or equivalent rules of any other applicable competent authority).

#### **16.21 Waiver of Conflict**

The Company hereby irrevocably waives, in favour of the Agents, any conflict of interest which



may arise by virtue of the Agents or any affiliate of the Agents acting in various capacities under this Agreement and any other documents relating to the Securities, as the case may be, or for other customers of the Agents. The Company hereby acknowledges that the Agents and their affiliates (together, the “**Agent Parties**”) may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Company may regard as conflicting with its interests and may possess information (whether or not material to the Company) that the Agent Parties may not be entitled to share with the Company. The Agents will not disclose confidential information obtained from the Company to any of the Agents’ other customers nor will it use on the behalf of the Company any confidential information obtained from any other customer. Without prejudice to the foregoing, the Company agrees that the Agent Parties may deal (whether for its own or its customers’ account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the this Agreement and any other documents relating to the Securities.

#### **16.22 No Inquiry; Illegality, etc.**

No Agent shall be under any duty to enquire into or investigate the validity, accuracy or content of any document. Each Agent may refrain from doing anything in any jurisdiction if doing the relevant thing in that jurisdiction would, in its opinion, be contrary to any applicable law, rules or regulations (inclusive of directives, guidelines and interpretations promulgated by competent authorities) of that jurisdiction, or would otherwise render it liable to any person in that jurisdiction or if, in its opinion, it would not have power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power. Notwithstanding any other provision of this Agreement, each Agent shall be entitled to take any action or to refuse to take any action which such Agent regards as necessary for it to comply with any applicable law, rules or regulations (inclusive of directives, guidelines and interpretations promulgated by competent authorities) or any fiscal requirement of any governmental agency of any state, or the rules, operating procedures or market practice of any relevant stock exchange or other market or clearing system, or which would or might otherwise render it liable to any person, and each Agent may do anything which is, in its opinion, necessary to comply with any of the foregoing. No Agent shall be under any duty to monitor compliance by any party or to take any steps to ascertain whether any relevant event under the documentation relating to the Securities has occurred.

#### **16.23 Expenditure by Agents**

Nothing contained herein shall require any Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it believes the payment or repayment of such funds or satisfactory indemnity against, or security or prefunding for, such risk or liability is not assured to it.

#### **16.24 Validity of Securities**

The Agents shall not be responsible to anyone with respect to the legality of this Agreement or the validity or legality of the Securities.

#### **16.25 Information covenant**

In order to comply with applicable laws relating to payments in respect of the Securities in effect from time to time related to this Agreement and the Conditions, the Company agrees (i) to provide to each Agent sufficient information about holders or other applicable parties and/or

transactions (including to the extent available any modification to the terms of such transactions) so such Agent can determine whether it has tax-related obligations under the applicable law, and (ii) that, without prejudice to Clause 16.26, each Agent shall be entitled to make any withholding or deduction from payments under this Agreement to the extent necessary to comply with the applicable law for which such Agent shall not have any liability, and such Agent shall not have any obligation to gross-up any payment hereunder or to pay any additional amount as a result of such deduction or withholding. Such Agent shall notify the Company as soon as reasonably practicable of any such withholding or deduction. The Company shall hold indemnify and harmless each Agent for any losses it may suffer due to the actions it takes to comply with applicable laws. The terms of this Clause 16.25 shall survive the termination of this Agreement or the resignation or removal of any Agent.

#### **16.26 Agent Right to Deduct or Withhold**

Notwithstanding anything contained in this Agreement, to the extent required by any applicable law, if any Agent is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if any Agent is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon such Agent, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Agreement (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising therefrom or any action of such Agent in connection with this Agreement (other than the remuneration herein specified) or otherwise, then such Agent shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed, and no Agent shall be liable to gross-up such payments.

#### **16.27 Not responsible for default**

In the case of any default by the Company in the performance of any of its obligations under this Agreement, the Conditions or the Securities, the Agents shall have no duty or responsibility to perform any such obligations.

#### **16.28 Information from Clearing Systems**

Any Agent may rely conclusively on any certificate, letter of confirmation or other paper or document issued by Euroclear and Clearstream (or any Alternative Clearing System on behalf of whom a Global Certificate may be held) to the effect that at a particular time or during any particular period any particular person was, is or will be shown in its records as a holder of a particular Security. No Agent shall be liable to the Company, any Holder or any other person by reason of having accepted as valid or not having rejected any certificate, letter of confirmation, paper or other document to such effect purporting to be issued by Euroclear and Clearstream (or any such Alternative Clearing System) and subsequently found to be forged or not authentic or not to be correct.

#### **16.29 Certificates**

Any Agent may call for and may accept as sufficient evidence of any fact or matter or of the expediency of any act a certificate of the Company signed by an Authorised Signatory of the Company as to any fact or matter upon which such Agent may, in the performance of any of its obligations, require to be satisfied or to have information, and such Agent need not call for

further evidence and will not be responsible or be liable to any Holder or any other person for any loss that may be occasioned by acting or refraining from acting in reliance on any such certificate.

#### **16.30 Investments**

No Agent shall be permitted or required to make investments of any moneys at any time received by it pursuant to any of the provisions of this Agreement or of the Securities.

#### **16.31 Mutual Undertaking Regarding Information Reporting and Collection Obligations**

Each party to this Agreement shall, within ten Business Days of a written request by another party, supply to that other party such forms, documentation and other information relating to it, its operations, or the Securities as that other party reasonably requests for the purposes of that other party's compliance with applicable law and shall notify the relevant other party reasonably promptly in the event that it becomes aware that any of the forms, documentation or other information provided by such party is (or becomes) inaccurate in any material respect; provided, however, that no party shall be required to provide any forms, documentation or other information pursuant to this Clause 16.31 to the extent that: (i) any such form, documentation or other information (or the information required to be provided on such form or documentation) is not reasonably available to such party and cannot be obtained by such party using reasonable efforts; or (ii) doing so would or might in the reasonable opinion of such party constitute a breach of any: (a) applicable law; (b) fiduciary duty; or (c) duty of confidentiality.

#### **16.32 Notice of Possible Withholding Under FATCA**

The Company shall notify each Agent in the event that it determines that any payment to be made by an Agent under the Securities is a payment which could be subject to FATCA Withholding if such payment were made to a recipient that is generally unable to receive payments free from FATCA Withholding, and the extent to which the relevant payment is so treated, provided, however, that the Company's obligations under this Clause 16.32 shall apply only to the extent that such payments are so treated by virtue of characteristics of the Company, the Securities, or both.

#### **16.33 Company's Right to Redirect**

In the event that the Company determines in its sole discretion that any deduction or withholding for or on account of any Tax will be required by applicable law in connection with any payment due to any Agent on any Securities, then the Company will be entitled to redirect or reorganise any such payment in any way that it sees fit in order that the payment may be made without such deduction or withholding provided that any such redirected or reorganised payment is made through a recognised institution of international standing and otherwise made in accordance with this Agreement. The Company will promptly notify the Agents of any such redirection or reorganisation. For the avoidance of doubt, FATCA Withholding is a deduction or withholding which is deemed to be required by applicable law for the purposes of this Clause 16.33.

#### **16.34 Confidentiality**

Unless ordered to do so by a court of competent jurisdiction or any regulatory body in any jurisdiction or as required by applicable law or regulations, the Agents shall not be required to disclose to any Holder or any other person any confidential financial or other information made available to the Agents by the Company or any of its Subsidiaries and no Holder shall be entitled to take any action to obtain from the Agents any such information.

## **17 Amendments, Supplements and Waivers**

### **17.1 Amendments with Consent of Holders**

**17.1.1** This Agreement or the Securities may be amended, without the consent of any Holder, to:

- (i) cure any ambiguity, defect, omission or inconsistency in this Agreement or the Securities;
- (ii) evidence and provide for the acceptance of appointment by a successor Agent;
- (iii) in any other case where a supplemental fiscal agency agreement to this Agreement is required or permitted to be entered into pursuant to the provisions of this Agreement without the consent of any Holder; or
- (iv) effect any changes to this Agreement in a manner necessary to comply with the procedures of Euroclear, Clearstream or the relevant clearing system.

**17.1.2** Amendments of this Agreement or the Securities may be made by the Company and the Agents with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Securities and the Holders of a majority in principal amount of the outstanding Securities may waive future compliance by the Company with any provision of this Agreement or the Securities; provided, however, that no such amendment, supplement or waiver may, without the consent of Holders which in the aggregate hold 75% of the outstanding principal amount of the Securities at such time:

- (i) change any date fixed for payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, Additional Distribution Amount and Step-up Distribution) on any Security;
- (ii) reduce the amount of principal, premium or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) payable on any date in respect of the Securities;
- (iii) change the currency of payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) on any Security;
- (iv) impair the right to institute suit for the enforcement of any payment on or after the date fixed for payment of principal of, premium or Distribution (including any Arrears of Distribution, Additional Distribution Amount and Step-up Distribution) (or, in the case of a redemption, on or after the redemption date) of any Security;
- (v) reduce the above-stated percentage of outstanding Securities the consent of whose Holders is necessary to modify or amend this Agreement;
- (vi) waive a default in payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) on the Securities;
- (vii) reduce the percentage or aggregate principal amount of outstanding Securities the consent of whose Holders is necessary for waiver of compliance with certain provisions of this Agreement, or for waiver of certain defaults;

- (viii) consent to the assignment or transfer by the Company of any of its rights or obligations under this Agreement;
- (ix) change the redemption date or the redemption price of the Securities from that stated in Condition 6 (*Redemption, Purchase and Cancellation*);
- (x) amend, change or modify the obligation of the Company to pay Additional Amounts;
- (xi) amend, change or modify any provision of this Agreement or the related definition affecting the ranking of the Securities in a manner which adversely affects the Holders; or
- (xii) make any change in the preceding amendment and waiver provisions.

**17.1.3** It is not necessary for Holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

**17.1.4** An amendment, supplement or waiver under Clause 17.1.2 will become effective on receipt by the Fiscal Agent of written consents from the Holders of the requisite percentage in principal amount of the outstanding Securities. After an amendment, supplement or waiver under Clause 17.1.2 becomes effective, the Company will send to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will send supplemental fiscal agency agreement to Holders upon request. Any failure of the Company to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental agreement or waiver.

## **17.2 Effect of Consent**

**17.2.1** After an amendment, supplement or waiver becomes effective, it will bind every Holders.

**17.2.2** If an amendment, supplement or waiver changes the terms of a Security, the Fiscal Agent may require the Holder to deliver it to the Fiscal Agent so that the Fiscal Agent may place an appropriate notation of the changed terms on the Security and return it to the Holder, or exchange it for a new Security that reflects the changed terms. The Fiscal Agent may also place an appropriate notation on any Security thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver is not affected by any failure to annotate or exchange Securities in this fashion.

## **17.3 Agent's Rights and Obligations.**

If an Agent has received written consents from the Holders of the requisite percentage in principal amount of the outstanding Securities, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Agents. Each Agent may, but is not obligated to, execute any amendment, supplement or waiver that affects its own rights, duties or immunities under this Agreement.

## **18 Changes in Agents**

### **18.1 Appointment and Termination**

The Company may at any time appoint additional Agents and/or terminate the appointment of

any Agent by giving to the Fiscal Agent, the Principal Paying Agent and the Agent concerned at least 60 days' written notice to that effect, which notice shall expire at least 30 days before or after any due date for payment in respect of the Securities. Upon any letter of appointment being executed by or on behalf of the Company and any person appointed as an Agent, such person shall become a party to this Agreement as if originally named in it and shall act as such Agent in respect of the Securities.

## **18.2 Resignation**

Any Agent may resign at any time on giving not less than 60 days prior written notice to the Company which notice shall expire at least 30 days before or after any due date for payment in respect of the Securities, without assigning any reason and without being responsible for any fees, costs, charges and expenses occasioned by such retirement or the appointment of any replacement. The Company hereby covenants that in the event of any Agent giving notice under this Clause 18.2 it shall use its best endeavours to procure a new Agent to be appointed and if the Company has not procured the appointment of a new Agent by the day falling 15 days prior to the expiry of such written notice, the resigning Agent shall be entitled, at the cost of the Company, to (i) appoint its replacement, or (ii) petition any court of competent jurisdiction for its resignation.

## **18.3 Condition to Resignation or Termination of the Fiscal Agent, the Principal Paying Agent or Registrar**

No resignation or (subject to Clause 18.5) termination of the appointment of the Fiscal Agent, the Principal Paying Agent or the Registrar shall, however, take effect until a new Fiscal Agent, a new Principal Paying Agent or a new Registrar, as the case may be has been appointed.

## **18.4 Change of Office**

If an Agent changes the address of its specified office in a city it shall give the Company, the Fiscal Agent and (provided such Agent is not the Principal Paying Agent) the Principal Paying Agent at least 60 days' prior written notice of the change, giving the new address and the date on which the change takes effect.

## **18.5 Automatic Termination**

The appointment of the Fiscal Agent or the Principal Paying Agent shall forthwith terminate if the Fiscal Agent or the Principal Paying Agent, as the case may be, becomes incapable of acting, is adjudged bankrupt or insolvent, files a voluntary petition in bankruptcy, makes an assignment for the benefit of its creditors, consents to the appointment of a receiver, administrator or other similar official of all or a substantial part of its property or admits in writing its inability to pay or meet its debts as they mature or suspends payment thereof, or if a resolution is passed or an order made for the winding up or dissolution of the Fiscal Agent or the Principal Paying Agent, as the case may be, a receiver, administrator or other similar official of the Fiscal Agent or the Principal Paying Agent, as the case may be, or all or a substantial part of their respective properties is appointed, a court order is entered approving a petition filed by or against it under applicable bankruptcy or insolvency law or a public officer takes charge or control of the Fiscal Agent or the Principal Paying Agent, as the case may be, or their respective properties or affairs for the purpose of rehabilitation, conservation or liquidation.

## **18.6 Delivery of Records**

If the Principal Paying Agent resigns or its appointment is terminated, it shall on the date the resignation or termination takes effect pay to the new Principal Paying Agent any amount held

by it for payment of the Securities. If the Fiscal Agent resigns or its appointment is terminated, it shall on the date the resignation or termination takes effect deliver, at the cost of the Company, to the new Fiscal Agent the records kept by it and all Certificates held by it pursuant to this Agreement.

## **18.7 Successor Corporations**

Any corporation into which an Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Agent shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of such Agent, shall be the Successor Agent under this Agreement without the execution or filing of any papers or any further act on the part of any of the parties hereto.

## **18.8 Notices**

The Company shall give Holders and the Fiscal Agent at least 45 days' notice of any proposed appointment, termination, resignation or change under Clauses 18.1 to 18.4 (both inclusive) of which it is aware, and, as soon as practicable, and in any event no later than 14 days' prior notice of any succession under Clause 18.7 of which it is aware.

## **19 Amendment**

This Agreement may be amended by a document in writing signed by all of the parties hereto.

## **20 Communications**

### **20.1 Notices**

Any communication shall be by letter or email:

in the case of communications to the Company, to it at:

China Aoyuan Group Limited 中國奧園集團股份有限公司

19th Floor, One Peking  
1 Peking Road  
Tsim Sha Tsui, Kowloon  
Hong Kong SAR  
China

Email address: [sarah.wong@aoyuangroup.com](mailto:sarah.wong@aoyuangroup.com) / [emma.qi@aoyuangroup.com](mailto:emma.qi@aoyuangroup.com)

Attention: Sarah Wong / Emma Qi

in the case of communications to the Fiscal Agent, the Principal Paying Agent, the Transfer Agent or the Registrar, to it at:

Madison Pacific Trust Limited

17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong  
Email address: [agent@madisonpac.com](mailto:agent@madisonpac.com)

Attention: Cassandra Ho

or any other address of which written notice has been given to the parties in accordance with this Clause 20.1. Such communications will take effect, in the case of a letter, when delivered, or in the case of a fax, when the relevant delivery receipt is received by the sender, or in the case of an email, when the email is sent to the correct email address; provided that any communication which is received (or deemed to take effect in accordance with the foregoing) outside business hours or on a non-Business Day in the place of receipt shall be deemed to take effect at the opening of business on the next following Business Day in such place. Any communication delivered to any party under this Agreement which is to be sent by fax or email will be written legal evidence.

## **20.2 Notices through Fiscal Agent**

All communications relating to this Agreement between the Company and any of the Agents or between the Agents themselves shall be made (except where otherwise expressly provided) through the Fiscal Agent.

## **21 Notices**

### **21.1 Publication**

At the request and expense of the Company, the Fiscal Agent shall arrange for the publication of all notices to Holders in the form provided to it by the Company. Notices to Holders shall be published in accordance with the Conditions.

Without prejudice to the foregoing and the Conditions, as long as any Securities are represented by a Global Certificate, notices will be circulated to the Holders through Euroclear and Clearstream.

### **21.2 Notification to be in English**

All notices, certificates, documents and other communications hereunder shall be made in the English language or shall be accompanied at the cost of the Company by a certified English translation thereof. Any certified English translation delivered hereunder shall be certified a true and accurate translation by a professionally qualified translator or by some other person competent to do so. Each Agent may rely conclusively on the accuracy and completeness of any such translation and shall not be liable to the Holders, the Company or any other person for so doing.

## **22 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any provision of this Agreement under the Contracts (Rights of Third Parties) Act 1999 except to the extent expressly provided for in this Agreement. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **23 Governing Law and Jurisdiction**

### **23.1 Governing Law**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

### **23.2 Jurisdiction**



The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of each of the Agents.

### **23.3 Service of Process**

The Company irrevocably agrees to receive service of process in any Proceedings in Hong Kong in relation to this Agreement at the Company’s business address in Hong Kong, currently at 19th Floor, One Peking, 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR, China. Such service shall be deemed completed on delivery to such address (whether or not, it is forwarded to and received by the Company). If for any reason the Company ceases to be able to act as such or no longer has an address in Hong Kong, the Company irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and promptly (and in any event within 14 days) notify the other parties to this Agreement of the identity of its new agent in Hong Kong. Nothing shall affect the right to serve process in any manner permitted by law.

### **23.4 Waiver of Immunity**

The Company hereby irrevocably and unconditionally waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably and unconditionally consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

### **24 Counterparts**

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a same copy of this Agreement.

### **25 Entire Agreement**

This Agreement and the Conditions contain the whole agreement between the parties relating to the subject matter of this Agreement at the date of this Agreement to the exclusion of any terms implied by law which may be excluded by contract and supersedes any previous written or oral agreement between the parties in relation to the matters dealt with in this Agreement.

**Schedule 1**  
**Part A**  
**Form of Global Certificates**

ISIN: [●]

Common Code: [●]

Registered No.: [●]

THE SECURITIES (THE “SECURITIES”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITIES NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Certificate and the IAI Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Certificate: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Certificate: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THE SECURITIES (OR ANY PREDECESSOR OF THE SECURITIES), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PRINCIPAL PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PRINCIPAL PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THE SECURITIES, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER

INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN “OFFSHORE TRANSACTION” PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE DATE ON WHICH THE SECURITIES (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN U.S.\$1,000.

EACH PURCHASER OF THE SECURITIES IS HEREBY NOTIFIED THAT THE SELLER OF THE SECURITIES MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORISED REPRESENTATIVE OF [●], AS COMMON DEPOSITARY (“COMMON DEPOSITARY”) FOR EUROCLEAR BANK SA/NV (“EUROCLEAR”) AND CLEARSTREAM BANKING S.A. (“CLEARSTREAM”) TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON DEPOSITARY (AND ANY PAYMENT IS MADE TO THE COMMON DEPOSITARY OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORISED REPRESENTATIVE OF THE COMMON DEPOSITARY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, THE COMMON DEPOSITARY, HAS AN INTEREST HEREIN.

THIS CERTIFICATE IS A GLOBAL CERTIFICATE WITHIN THE MEANING OF THE FISCAL AGENCY AGREEMENT HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE COMMON DEPOSITARY OR A NOMINEE THEREOF. THE SECURITIES MAY NOT BE EXCHANGEABLE IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THE SECURITIES IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH COMMON DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES

DESCRIBED IN THE FISCAL AGENCY AGREEMENT.

**China Aoyuan Group Limited 中國奧園集團股份有限公司**  
*(incorporated in the Cayman Islands with limited liability)*

**U.S.\$[●] Senior Perpetual Capital Securities**

This Global Certificate is issued in respect of the principal amount specified above of the Securities (the “**Securities**”) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”). This Global Certificate certifies that [●] as nominee for the Common Depository of Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”) is registered as the holder of such principal amount of the Securities at the date hereof.

**Interpretation and Definitions**

References in this Global Certificate to the “**Conditions**” are to the Terms and Conditions applicable to the Securities (which are in the form set out in Schedule 2 (*Terms and Conditions of the Securities*) to the Fiscal Agency Agreement (the “**Fiscal Agency Agreement**”) dated [●] 2023 between the Company, Madison Pacific Trust Limited as fiscal agent and the other agents named in it, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate, which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Fiscal Agency Agreement.

The Company executed a deed of covenant relating to the Securities (the “**Deed of Covenant**”) dated [●] 2023 which is deposited with and held by the Fiscal Agent until the date on which all the obligations of the Bank under or in respect of the Securities (including, without limitation, its obligations under the Deed of Covenant) have been discharged in full.

**Promise to Pay**

The Company, for value received, promises to pay to the holder of the Securities represented by this Global Certificate upon presentation and (when no further payment is due in respect of the Securities represented by this Global Certificate) surrender of this Global Certificate on the date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions, the amount payable upon redemption under the Conditions in respect of the Securities represented by this Global Certificate and to pay Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) in respect of such Securities in arrear at the rates, on the dates for payment, in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Securities represented by this Global Certificate together with such other sums and Additional Amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Each payment (if any) will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Securities represented by this Global Certificate is bound by all the provisions of the Fiscal Agency Agreement, (b) the Company certifies that the registered holder is, at the date hereof, entered in the Register as the holder of the Securities represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Securities represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Securities represented by this Global Certificate is entitled to payments in respect of the Securities represented by this Global Certificate.

## **Exchange of Securities Represented by Global Certificate**

Owners of interests in the Securities in respect of which this Global Certificate is issued will be entitled to have title to the Securities registered in their names and to receive individual definitive Certificates (i) if either Euroclear or Clearstream or any other clearing system through which the Securities are held (an “**Alternative Clearing System**”) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or (ii) upon a Winding-Up of the Company. In such circumstances, the Company will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Securities. A person with an interest in the Securities in respect of which this Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Company and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

## **Direct Rights**

Upon a Winding-Up of the Company, the holder of the Securities represented by this Global Certificate may (subject as provided below) from time to time elect that Direct Rights (as defined in the Deed of Covenant) under the provisions of the Deed of Covenant shall come into effect in respect of a principal amount of Securities up to the aggregate principal amount or number in respect of which such event has occurred. Such election shall be made by notice to the Fiscal Agent by the holder of the Securities represented by this Global Certificate specifying the principal amount of Securities represented by this Global Certificate in respect of which Direct Rights shall arise under the Deed of Covenant. Upon each such notice being given, this Global Certificate and the corresponding entry in the Register shall become void to the extent of the principal amount stated in such notice, save to the extent that the appropriate Direct Rights shall fail to take effect, for whatever reason.

No such election may however be made unless the transfer of the whole or a part of the holding of Securities represented by this Global Certificate shall have been improperly withheld or refused, unless the holder elects in such notice that the exchange in question shall no longer take place.

## **Notices**

So long as the Securities are represented by this Global Certificate and this Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Securities shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Securities in substitution for notification as required by the Conditions. Notices will be deemed given on the date such notice is delivered to the clearing systems.

## **Transfers**

Transfers of interests in the Securities will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

## **Cancellation**

Cancellation of any Security by the Company following its redemption or purchase by the Company will be effected by a reduction in the principal amount of the Securities in the Register and this

Global Certificate on its presentation to or to the order of the Registrar for annotations (for information only) in this Global Certificate.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Global Certificate is governed by and shall be construed in accordance with English law.

**In witness** whereof the Company has caused this Global Certificate to be signed on its behalf.

Dated: [ ● ]

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

By: \_\_\_\_\_

Name:

Title:

**Certificate of Authentication**

This Certificate is authenticated  
by or on behalf of the Registrar  
without recourse, warranty or liability.

**Madison Pacific Trust Limited** as Registrar

By:

Authorised Signatory  
For the purposes of authentication only.



## Schedule A

### Schedule of Increases/Reductions in Principal Amount of Securities in respect of which this Global Certificate is Issued

The following increases/reductions in the principal amount of Securities in respect of which this Global Certificate is issued have been made as a result of: (i) redemption of Securities, (ii) exercise of Company's option; (iii) purchase and cancellation of Securities, (iv) partial exchange for Definitive Certificates or (v) transfers of the interests in the Global Certificate:

<b>Date of Redemption / Exercise of Company's option / Purchase and Cancellation of Securities / Issue of definitive Certificates / Transfer (stating which)</b>	<b>Amount of increase/decrease in principal amount of this Global Certificate</b>	<b>Principal amount of this Global Certificate following such increase/decrease</b>	<b>Notation made by or on behalf of the Registrar</b>
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

On the back:

**Terms and Conditions of the Securities**

[The Terms and Conditions that are set out in Schedule 2 to the Fiscal Agency Agreement will be set out here.]

**FISCAL AGENT, REGISTRAR AND TRANSFER AGENT**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

**Schedule 1**  
**Part B**  
**Form of Certificate**

<b>Amount</b>	<b>Series</b>	<b>Certificate Number</b>
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THE SECURITIES (THE “SECURITIES”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THE SECURITIES NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

[In the case of the Rule 144A Global Certificate and the IAI Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, [in the case of the Rule 144A Global Certificate: REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”))] [in the case of the IAI Global Certificate: REPRESENTS THAT IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT)] AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, BEFORE THE RESALE RESTRICTION TERMINATION DATE, WHICH IS ONE YEAR AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THE SECURITIES (OR ANY PREDECESSOR OF THE SECURITIES), ONLY (A) TO THE COMPANY OR ONE OF ITS SUBSIDIARIES, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) TO AN INSTITUTIONAL “ACCREDITED INVESTOR” WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT THAT, BEFORE SUCH TRANSFER, DELIVERS TO THE PRINCIPAL PAYING AGENT A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE PRINCIPAL PAYING AGENT) RELATING TO THE RESTRICTIONS ON TRANSFER OF THE SECURITIES, (E) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (F) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

[In the case of the Regulation S Global Certificate: THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN “OFFSHORE TRANSACTION” PURSUANT TO REGULATION S UNDER THE SECURITIES ACT AND AGREES, ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, ON OR PRIOR TO 40 DAYS AFTER THE LATER OF THE ISSUE DATE HEREOF AND THE DATE ON WHICH THE SECURITIES (OR ANY PREDECESSOR OF SUCH SECURITY) WAS FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN RULE 902 OF REGULATION S) IN RELIANCE ON REGULATION S, ONLY (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (B) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSAL OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS, AND FURTHER SUBJECT TO THE COMPANY’S AND THE PRINCIPAL PAYING AGENT’S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (B) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM.]

THE HOLDER OF THE SECURITIES, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES THAT IT SHALL NOT TRANSFER THE SECURITIES IN AN AMOUNT LESS THAN U.S.\$1,000.

EACH PURCHASER OF THE SECURITIES IS HEREBY NOTIFIED THAT THE SELLER OF THE SECURITIES MAY BE RELYING ON AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT.

**China Aoyuan Group Limited 中國奧園集團股份有限公司**  
*(incorporated in the Cayman Islands with limited liability)*

**U.S.\$[●] Senior Perpetual Capital Securities**

The Security or Securities in respect of which this definitive certificate (the “**Certificate**”) is issued are in registered form and form part of a series designated as specified in the title (the “**Securities**”) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”). The Securities are subject to the Terms and Conditions (the “**Conditions**”) endorsed hereon. All words and expressions defined in the Conditions shall (save as otherwise provided herein or unless the context otherwise requires) have the same meanings herein.

The Company hereby certifies that [●] of [●] is, at the date hereof, entered in the Register as the holder of Securities in the principal amount of U.S.\$ [●] ([●] U.S. dollars).

This Certificate is evidence of entitlement only. Title to the Securities represented by this Certificate passes only on due registration on the Register. Only the holder of the Securities represented by this Certificate is entitled to payments in respect of the Securities represented by this Certificate.

This Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

This Certificate is governed by and shall be construed in accordance with English law.

**In witness** whereof the Company has caused this Certificate to be signed on its behalf.

Dated: [ ● ]

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

By: \_\_\_\_\_

Name:

Title:

**Certificate of Authentication**

This Certificate is authenticated  
by or on behalf of the Registrar  
without recourse, warranty or liability.

**Madison Pacific Trust Limited** as Registrar

By:

Authorised Signatory  
For the purposes of authentication only.

On the back:

**Terms and Conditions of the Securities**

[The Terms and Conditions that are set out in Schedule 2 to the Fiscal Agency Agreement will be set out here.]

**FISCAL AGENT, REGISTRAR AND TRANSFER AGENT**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong



**Schedule 1**  
**Part C**  
**Form of Transfer**

[Date]

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong  
as Registrar

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司  
U.S.\$[●] Senior Perpetual Capital Securities (ISIN: [●] | Common Code: [●]) (the  
“Securities”)

Dear Sirs or Madams:

Reference is hereby made to the fiscal agency agreement, dated as of [●] 2023 (the “**Fiscal Agency Agreement**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), Madison Pacific Trust Limited as Fiscal Agent and other agents named in it. Capitalised terms used but not defined herein shall have the meanings given to them in the Fiscal Agency Agreement.

\_\_\_\_\_ (the “**Transferor**”) owns and proposes to transfer the Securities or a beneficial interest in the Securities specified in Annex A hereto, in the principal amount of U.S.\$\_\_\_\_\_ (the “**Transfer**”), to \_\_\_\_\_ (the “**Transferee**”), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK]

☐ The amount of the Transfer is equal to or greater than U.S.\$1,000

The Transferor hereby further certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the Rule 144A Global Certificate or a Certificate pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and, accordingly, the Transferor hereby further certifies that the beneficial interest or Certificate is being transferred to a Person that the Transferor or any Person acting on its behalf reasonably believed and believes is purchasing the beneficial interest or Certificate for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and not with a view to, or for offer or sale in connection with, any distribution in violation of the Securities Act, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act to whom notice has been given that the transfer is being made in reliance on Rule 144A in a transaction

meeting the requirements of Rule 144A and such Transfer is in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Fiscal Agency Agreement, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the Rule 144A Global Certificate and/or the Certificate and in the Fiscal Agency Agreement and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the IAI Global Certificate or a Certificate.** The Transferor hereby certifies that the beneficial interest or the Certificate is being transferred to a Person that is an institutional “accredited investor” (“IAI”) within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that has provided the attached duly executed IAI Investment Letter (annexed as Annex B hereto) pursuant to an exemption from the registration requirements in the Securities Act and in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Fiscal Agency Agreement, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the IAI Global Certificate and/or the Certificate and in the Fiscal Agency Agreement and the Securities Act.

3. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Certificate or a Certificate pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Regulation S under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the offer of the Securities was not made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and such Transferor or any person acting on its behalf does not know that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in connection with the Transfer in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S under the Securities Act, (iii) if the Transfer is made during a period of 40 days beginning on and including the later of the original issue date of the Securities and the date on which the Securities were first offered to persons other than distributors (as defined in rule 902 of Regulation S) in reliance on Regulation S, the Transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person, (iv) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act, and (v) such Transfer is in compliance with all applicable securities laws of any other jurisdiction. Upon consummation of the proposed Transfer in accordance with the terms of the Fiscal Agency Agreement, the transferred beneficial interest or Certificate will be subject to the restrictions on transfer enumerated in the legend printed on the Regulation S Global Certificate and/or the Certificate and in the Fiscal Agency Agreement and the Securities Act.

4. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in a Global Certificate or a Certificate pursuant to any other exemption provision of the Securities Act.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Global Certificate and Certificate and pursuant to and in accordance with the Securities Act and all applicable securities laws of any other jurisdiction.

You and the Company are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[Name of Transferor]

By: \_\_\_\_\_

Name:

Title:

## ANNEX A

### TO TRANSFER CERTIFICATE

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code:[●]); or

(b) ☐ a Certificate.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) a beneficial interest in the:

- (i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or
- (iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificate,

in accordance with the terms of the Fiscal Agency Agreement.

**ANNEX B**  
**TO TRANSFER CERTIFICATE**  
**FORM OF IAI INVESTMENT LETTER**

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong  
as Registrar

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司  
U.S.\$[●] Senior Perpetual Capital Securities (ISIN: [●]/Common Code: [●]) (the  
“**Securities**”)

Dear Sirs or Madams,

Reference is hereby made to the fiscal agency agreement, dated as of [●] 2023 (the “**Fiscal Agency Agreement**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), Madison Pacific Trust Limited as Fiscal Agent and other agents named in it. Capitalised terms used but not defined herein shall have the meanings given to them in the Fiscal Agency Agreement. In connection with our proposed purchase of U.S.\$[insert principal amount of Securities] aggregate principal amount of Securities, we represent and warrant as follows:

1. We have received such information as we deem necessary in order to make our investment decision.
2. We understand that any subsequent transfer of the Securities is subject to certain restrictions and conditions set forth in the Fiscal Agency Agreement and the Securities and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Securities except in compliance with, such restrictions and conditions and the United States Securities Act of 1933, as amended (the “**Securities Act**”).
3. We understand that the offer and sale of the Securities have not been registered under the Securities Act, and that the Securities may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, not to offer, sell or otherwise transfer such Securities except (A) to the Company or one of its subsidiaries, (B) pursuant to a registration statement which has been declared effective under the Securities Act, (C) for so long as the Securities are eligible for resale pursuant to Rule 144A under the Securities Act (“**Rule 144A**”), to a person we reasonably believe is a “qualified institutional buyer” as defined in Rule 144A that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A, (D) to an institutional “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act that, before such transfer, furnishes to the Company a signed letter, substantially identical to this letter, containing certain representations and agreements relating to the transfer of the Securities, (E) outside the United States in compliance with Regulation S of the Securities Act, or (F) pursuant to any other available exemption from the registration requirements of the Securities Act, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction. We

understand that, on any proposed resale of any Securities, we and each subsequent holder will be required to deliver to the transferee of the Securities or any interest or participation therein a notice substantially to the foregoing effect.

4. We understand that, on any proposed resale of any Securities, we will be required to furnish to the Company such certifications, legal opinions, and other information (including a letter substantially similar to this one from any purchaser who is an institutional accredited investor) as it may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Securities purchased by us will bear a legend to substantially the foregoing effect.
5. We invest or purchase securities similar to the Securities in the normal course of our business.
6. We are an institution that is an accredited investor within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Securities, and we and any accounts for which we act are each able to bear the economic risk of our own or of any such accounts' investment for an indefinite period of time.
7. We are acquiring the Securities for our own account or for one or more accounts (each of which is an institutional accredited investor) as to each of which we exercise in our sole investment discretion and not with a view to any distribution of the Securities in violation of the Securities Act, subject, nevertheless, to the understanding that the disposition of our property will at all times be and remain within our control.
8. We are acquiring the Securities having at least a minimum principal amount of U.S.\$1,000.

*[Insert name of Transferee]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule 1**  
**Part D**  
**Form of Certificate of Exchange**

[Date]

Madison Pacific Trust Limited  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Re: China Aoyuan Group Limited 中國奧園集團股份有限公司

U.S.\$[●] Senior Perpetual Capital Securities (ISIN: [●] | Common Code: [●]) (the  
“Securities”)

Dear Sirs:

Reference is hereby made to the fiscal agency agreement, dated as of [●] 2023 (the “**Fiscal Agency Agreement**”), between China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), Madison Pacific Trust Limited as Fiscal Agent and other agents named in it. Capitalised terms used but not defined herein shall have the meanings given to them in the Fiscal Agency Agreement.

\_\_\_\_\_ (the “**Owner**”) owns and proposes to exchange the Securities or a beneficial interest in the Securities specified in Annex A hereto, in the principal amount of U.S.\$\_\_\_\_\_ (the “**Exchange**”). In connection with the Exchange, the Owner hereby certifies that:

[CHECK]

1. ☐ **Check if Exchange is from a beneficial interest in a Global Certificate for individual definitive Certificate.** In connection with the Exchange of the Owner’s beneficial interest in a Global Certificate for individual definitive Certificate in an equal amount, the Owner hereby certifies that such individual definitive Certificate are being acquired for the Owner’s own account without transfer. The individual definitive Certificate issued pursuant to the Exchange will be subject to restrictions on transfer enumerated in such Certificate, the Fiscal Agency Agreement and the U.S. Securities Act of 1933, as amended (the “**Securities Act**”).

2. ☐ **Check if Exchange is from individual definitive Certificate for a beneficial interest in a Global Certificate.** In connection with the Exchange of the Owner’s individual definitive Certificate for a beneficial interest in a Global Certificate in an equal amount, the Owner hereby certifies that such beneficial interest is being acquired for the Owner’s own account without transfer. The beneficial interest will be subject to restrictions on transfer enumerated in the Fiscal Agency Agreement and the Securities Act.

You and the Company are entitled to rely upon this letter and are irrevocably authorised to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

[*Name of Transferor*]

By: \_\_\_\_\_

Name:

Title:



**ANNEX A  
TO CERTIFICATE OF EXCHANGE**

1. The Owner owns and proposes to transfer the following:

[CHECK ONE]

(a) a beneficial interest held through Euroclear/Clearstream Account No. \_\_\_\_\_ in the:

(i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificate.

2. After the Exchange the Owner will hold:

[CHECK ONE]

(a) a beneficial interest held through Euroclear/Clearstream Account No. \_\_\_\_\_ in the:

(i) ☐ Rule 144A Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(ii) ☐ IAI Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(iii) ☐ Regulation S Global Certificate (ISIN: XS[●]/Common Code: [●]); or

(b) ☐ a Certificate,

in accordance with the terms of the Fiscal Agency Agreement.

**Schedule 2**  
**Terms and Conditions of the Securities**

[See over page]

## TERMS AND CONDITIONS OF THE SECURITIES

*The following, subject to amendment and save for the paragraphs in italics, are the Terms and Conditions of the Securities, substantially as they will appear on the reverse of each of the definitive certificates evidencing the Securities.*

The issue of the U.S.\$[●] Senior Perpetual Capital Securities (the “**Securities**”, which term shall include, unless the context requires otherwise, any further securities issued in accordance with Condition 13 (*Further Issues*) and consolidated and forming a single series therewith) of China Aoyuan Group Limited 中國奧園集團股份有限公司 (the “**Company**”) was authorised by resolutions of the board of directors of the Company passed on or around [●] 2023. A fiscal agency agreement dated [●] (the “**Fiscal Agency Agreement**”) has been entered into in relation to the Securities between the Company, Madison Pacific Trust Limited as fiscal agent and the agents named in it. The Securities have the benefit of a Deed of Covenant (the “**Deed of Covenant**”) dated [●] executed by the Company relating to the Securities. The fiscal agent, the principal paying agent, the registrar and any transfer agent for the time being are referred to below respectively as the “**Fiscal Agent**”, the “**Principal Paying Agent**”, the “**Registrar**” and the “**Transfer Agents**”. “**Agents**” means the Fiscal Agent, the Principal Paying Agent, the Registrar, the Transfer Agents and any other agent or agents appointed from time to time with respect to the Securities. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement, which includes the form of the Securities. Unless otherwise defined, terms used in these Conditions have the meanings specified in the Fiscal Agency Agreement. Electronic copies of the Fiscal Agency Agreement, the Deed of Covenant and the Aoyuan New Notes Indenture are available following written request to the Fiscal Agent, the Principal Paying Agent, the Registrar and any Transfer Agents and proof of holding during usual business hours at the specified office of the Agents. The Holders are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them.

### 1 FORM, DENOMINATION AND TITLE

#### (A) Form and Denomination

The Securities are issued in registered form in the denomination of U.S.\$1,000 and higher integral multiples of U.S.\$1.00. A certificate (each a “**Certificate**”) will be issued to each Holder in respect of its registered holding of Securities. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant Certificate and in the register of holders (the “**Register**”) which the Company will procure to be kept by the Registrar.

*Upon issue, the Securities will be represented by the global certificates (each a “**Global Certificate**”) registered in the name of a nominee of, and deposited with a common depositary for, Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). These Conditions are modified by certain provisions contained in the Global Certificates.*

*So long as the Securities are represented by the Global Certificates and the rules of Euroclear and Clearstream so permit, transfers of interests in the Securities through the relevant clearing systems shall be in principal amounts of at least U.S.\$1,000 and higher integral multiples of U.S.\$1.00. For the avoidance of doubt, neither Euroclear nor Clearstream is required to monitor or enforce the minimum amount. The Securities will be traded on Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in a minimum board lot size of S\$200,000 (or its equivalent in foreign currencies) for as long as the Securities are listed on the SGX-ST.*

#### (B) Title

Title to the Securities passes only by transfer and registration in the Register as described in Condition 3 (*Transfer of Securities; Issue of Certificates*) and kept in accordance with the terms of the Fiscal

Agency Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Security will be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the Holder. No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999 but this shall not affect any right or remedy which exists or is available apart from such Act.

## **2 STATUS OF THE SECURITIES**

The Securities:

- (a) are direct, unconditional, unsecured and unsubordinated obligations of the Company;
- (b) are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Securities;
- (c) shall at all times rank at least *pari passu* without any preference among themselves;
- (d) shall rank at all times at least *pari passu* in right of payment with all other unsecured, unsubordinated Indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated Indebtedness pursuant to applicable law);
- (e) are effectively subordinated to all existing and future secured obligations of the Company to the extent of the value of the collateral serving as security therefor; and
- (f) are structurally subordinated to liabilities of the Company's subsidiaries.

## **3 TRANSFERS OF SECURITIES; ISSUE OF CERTIFICATES**

### **(A) Register**

The Company will cause the Register to be kept at the specified office of the Registrar outside the United Kingdom and in accordance with the terms of the Fiscal Agency Agreement on which shall be entered the names, addresses and account details of the Holders and the particulars of the Securities held by them and of all transfers and redemptions of the Securities. Each Holder shall be entitled to receive only one Certificate in respect of its entire holding of Securities.

### **(B) Transfer**

Subject to Conditions 3(E) (*Closed Periods*) and 3(F) (*Regulations*) and the terms of the Fiscal Agency Agreement, a Security may be transferred by delivery of the Certificate issued in respect of that Security, with the form of transfer on the back of such Certificate duly completed and signed by the Holder or his attorney duly authorised in writing, to the specified office of either the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer. Where not all the Securities represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Securities will be issued to the transferor. In the case of a transfer of Securities to a person who is already a Holder of Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing existing holding. No person shall be recognised as a registered holder (with relevant rights) until the transfer is reflected in the Register.

*Transfers of interests in the Securities evidenced by the Global Certificates will be effected in accordance with the rules of the relevant clearing systems.*

### **(C) Delivery of New Certificates**

Each new Certificate to be issued upon a transfer of Securities will, within three Business Days of receipt by the Registrar or, as the case may be, any Transfer Agent of the original Certificate and the form of transfer duly completed and signed, be made available for collection at the specified office of the Registrar or such Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the Holder entitled to the Securities (but free of charge to the Holder and at the Company's expense) to the address specified in the form of transfer.

*Except in the limited circumstances described herein, owners of interests in the Securities will not be entitled to receive physical delivery of Certificates. The Securities are not issuable in bearer form.*

Where only part of a principal amount of the Securities in respect of which a Certificate is issued is to be transferred, a new Certificate in respect of the Securities not so transferred will, within three Business Days of delivery of the original Certificate to the Registrar or the relevant Transfer Agent, be made available for collection at the specified office of the Registrar or such Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the Holder of the Securities not so transferred (but free of charge to the Holder and at the Company's expense) to the address of such Holder appearing on the Register.

**(D) Formalities Free of Charge**

Registration of a transfer of Securities and issuance of new Certificates will be effected without charge to Holders by or on behalf of the Company by the Registrar or any Transfer Agent, but (i) upon payment by the relevant Holder (or the giving of such indemnity and/or security and/or pre-funding as the Company, the Registrar or such Transfer Agent may require) in respect of any tax or other governmental charges which may be imposed by the Registrar or any Transfer Agent in relation to such transfer and (ii) subject to Condition 3(F) (*Regulations*).

**(E) Closed Periods**

No Holder may require the transfer of a Security to be registered (i) during the period of fifteen days ending on (and including) the due date for redemption of that Security; (ii) after any such Security has been called for redemption; or (iii) during the period of fifteen days ending on (and including) any Record Date (as defined in Condition 5(A) (*Method of Payment*)).

**(F) Regulations**

All transfers of Securities and entries on the Register will be made subject to the detailed regulations concerning the transfer of Securities scheduled to the Fiscal Agency Agreement. Subject to these Conditions, such regulations may be changed by the Company, with the prior written approval of the Fiscal Agent, the Principal Paying Agent and the Registrar. A copy of the current regulations will be mailed (free of charge to Holders and at the Company's expense) by the Registrar to any Holder following prior written request and satisfactory proof of holding.

## **4 DISTRIBUTION**

**(A) Accrual of Distribution**

Subject to Condition 4(C) (*Distribution Deferral*), the Securities confer a right to receive distributions (each a "**Distribution**") from the First Reset Date at the applicable Distribution Rate in accordance with this Condition 4 (*Distribution*).

Subject to Condition 4(C) (*Distribution Deferral*), Distributions shall be payable on the Securities semi-annually in arrears on each Distribution Payment Date in U.S. dollars, and subject to Conditions 4(B)(ii) (*Increase in Distribution Rate following occurrence of a Step-up Distribution Event*) and 4(B)(iii) (*Decrease in Distribution Rate following cure of a Step-up Distribution Event*), in equal

instalments during the same Reset Distribution Period.

Unless otherwise provided for in these Conditions, each Security will cease to confer the right to receive any Distribution from (and including) the date of redemption unless, upon due presentation of the relevant Certificate, payment of the full amount due is withheld or refused. In such event, the right to a Distribution will continue to accrue at the applicable Distribution Rate (after as well as before any judgment) up to but excluding whichever is the earlier of (a) the date on which all sums due in respect of any Security are received by or on behalf of the relevant Holder and (b) the date which is five days after the Principal Paying Agent has notified the Holders that it has received all sums due in respect of the Securities up to such fifth day (except to the extent that there is a failure in the subsequent payment to the relevant Holders under these Conditions).

Distributions in respect of any Security shall be calculated per U.S.\$1.00 in principal amount of the Securities (the “**Calculation Amount**”). The amount of Distribution payable per Calculation Amount for any period shall (save as provided above in this Condition 4(A) (*Accrual of Distribution*) in relation to equal instalments) be calculated by applying the applicable Distribution Rate to the Calculation Amount, multiplying the product by the relevant day count fraction, rounding the resulting figure to the nearest cent (half a cent being rounded upwards), where the relevant day count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed. The Company shall be responsible for calculating or verifying the amount of Distribution.

The Agents shall not be responsible for calculating or verifying the amount of Distribution.

*So long as the Securities are evidenced by the Global Certificates which are held in the name of depositary or its nominee on behalf of Euroclear, Clearstream or the Alternative Clearing System (as defined in the Global Certificates), the amount payable upon redemption and the amount of principal, premium and Distributions of the Securities will be calculated in respect of the aggregate principal amount of the Securities outstanding, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).*

(B) **Rate of Distribution**

- (i) *Applicable Distribution Rate:* The rate of Distribution (“**Distribution Rate**”) applicable to the Securities shall be:
  - (a) in respect of the period from, and including, the Issue Date to, and excluding, 30 September 2031 (the “**First Reset Date**”), zero per cent. per annum;
  - (b) in respect of the period from, and including, the First Reset Date to, but excluding, 30 September 2033 (the “**Second Reset Date**”), 1.00% per annum;
  - (c) in respect of the period from, and including, the Second Reset Date to, but excluding, 30 September 2035 (the “**Third Reset Date**”), 2.00% per annum;
  - (d) in respect of the period from, and including, the Third Reset Date to, but excluding, 30 September 2037 (the “**Fourth Reset Date**”), 3.00% per annum;
  - (e) in respect of the period from, and including, the Fourth Reset Date to, but excluding, 30 September 2039 (the “**Fifth Reset Date**”), 5.00% per annum;
  - (f) in respect of the period from, and including, the Fifth Reset Date to, but excluding, 30 September 2041 (the “**Sixth Reset Date**”), 7.00% per annum;
  - (g) in respect of the period from, and including, the Sixth Reset Date to, but excluding, 30 September 2044 (the “**Seventh Reset Date**”), 9.00% per annum; and

- (h) in respect of the period (A) from, and including the Seventh Reset Date, to, but excluding, the Reset Date falling immediately after the Seventh Reset Date, and (B) from, and including, each Reset Date falling after the Seventh Reset Date to, but excluding, the immediately following Reset Date (each of the periods in (A) and (B), a **“Relevant Reset Distribution Period”**), the Relevant Reset Distribution Rate.

(ii) *Increase in Distribution Rate following occurrence of a Step-up Distribution Event:*

In the case of the occurrence of a Step-up Distribution Event, unless by the 30<sup>th</sup> day following the occurrence of such Step-up Distribution Event:

- (x) an irrevocable notice in writing to redeem the Securities has been given by the Company to the Holders (in accordance with Condition 14 (*Notices*) below) and the Fiscal Agent and the Principal Paying Agent;
- (y) a notice has been given to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent stating that such Step-up Distribution Event is cured or ceases to exist; or
- (z) such Step-up Distribution Event has been waived by Holders holding at least 25% of the aggregate principal amount of the outstanding Securities,

the then-prevailing Distribution Rate and subsequent Distribution Rate otherwise determined in accordance with Condition 4(B)(i) (*Applicable Distribution Rate*) will increase by 15.00% per annum with effect from (and including) the 30<sup>th</sup> day after the occurrence of such Step-up Distribution Event; provided that the maximum aggregate increase in the Distribution Rate pursuant to this paragraph shall be 15.00% per annum. For the avoidance of doubt, any increase in the Distribution Rate pursuant to this Condition 4(B)(ii) (*Increase in Distribution Rate following occurrence of a Step-up Distribution Event*) is separate from and shall be in addition to any scheduled increase in the Distribution Rate pursuant to Condition 4(B)(i) (*Applicable Distribution Rate*).

Any increase in the Distribution Rate pursuant to a Step-up Distribution Event as described above shall be notified by the Company to the Holders (in accordance with Condition 14 (*Notices*) below) and the Agents in writing no later than the 30<sup>th</sup> day following the occurrence of such Step-up Distribution Event. Any additional Distribution accrued as a result of such increase of 15.00% per annum in the Distribution Rate as described in this Condition 4(B)(ii) (*Increase in Distribution Rate following occurrence of a Step-up Distribution Event*) shall constitute a **“Step-up Distribution”**.

(iii) *Decrease in Distribution Rate following cure of a Step-up Distribution Event*

If following an increase in the Distribution Rate after the occurrence of a Step-up Distribution Event, such Step-up Distribution Event is, (1) cured or ceases to exist upon a notice of such facts being given to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent (the **“Decrease Notice”**), or (2) has been waived by Holders holding at least 25% of the aggregate principal amount of the outstanding Securities, the Distribution Rate shall be decreased by 15.00% per annum with effect from (and including) the date falling 30 calendar days after the date the Holders, the Fiscal Agent and the Principal Paying Agent received the Decrease Notice, provided that the maximum aggregate decrease in the Distribution Rate pursuant to this Condition 4(B)(iii) (*Decrease in Distribution Rate following cure of a Step-Up Distribution Event*) shall be 15.00% per annum.

Any decrease in the Distribution Rate as described above shall be notified by the Company to the Holders (in accordance with Condition 14 (*Notices*) below) and the Agents in writing no later than the 30<sup>th</sup> day following the date when the Step-up Event is cured or waived or ceases to exist.

(C) **Distribution Deferral**

- (i) *Deferral*: The Company may, at its sole discretion, elect to defer (in whole or in part) any Distribution which is otherwise scheduled to be paid on a Distribution Payment Date to the next Distribution Payment Date by giving notice to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent in writing not more than ten nor less than five Business Days prior to the relevant Distribution Payment Date.
- (ii) *No obligation to pay*: The Company shall have no obligation to pay any Distribution that is deferred in accordance with this Condition 4(C) (*Distribution Deferral*) (including any Arrears of Distribution and any Additional Distribution Amount) on any Distribution Payment Date if the Company validly elects to defer any Distribution in accordance with the terms described in Condition 4(C)(i) (*Deferral*) above.
- (iii) *Cumulative Deferral*: Any Distribution deferred pursuant to Condition 4(C) (*Distribution Deferral*) shall constitute “**Arrears of Distribution**”. The Company may, at its sole discretion, elect (in the circumstances set out in paragraph (i) above) to further defer, in whole or in part, any Arrears of Distribution by complying with the foregoing notice requirement applicable to any deferral of Distribution. The Company is not subject to any limit as to the number of times Distribution and Arrears of Distribution can be deferred pursuant to Condition 4(C) (*Distribution Deferral*).

Each amount of Arrears of Distribution (excluding any deferred Step-up Distribution) shall accrue Distribution as if it constituted the principal of the Securities at the prevailing Distribution Rate and the amount of such Distribution (the “**Additional Distribution Amount**”) with respect to Arrears of Distribution shall be calculated by applying the applicable Distribution Rate to the amount of the Arrears of Distribution and otherwise *mutatis mutandis* as provided in the foregoing provisions described in Condition 4 (*Distribution*). The Additional Distribution Amount accrued up to any Distribution Payment Date shall be added (for the purpose of calculating the Additional Distribution Amount accruing thereafter) to the amount of Arrears of Distribution remaining unpaid on such Distribution Payment Date so that it will itself become Arrears of Distribution.

Notwithstanding any other provisions in these Conditions and for the avoidance of doubt, each amount of Step-up Distribution deferred pursuant to Condition 4(C) (*Distribution Deferral*) will not accrue any Distribution in any event.

- (iv) *Satisfaction of Arrears of Distribution by payment*: The Company:
  - (a) may satisfy any Arrears of Distribution and Additional Distribution Amount (in whole or in part) at any time by giving notice of such election to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent in writing not more than ten nor less than five Business Days prior to the proposed payment date specified in such notice (which notice shall be irrevocable and shall oblige the Company to pay the relevant Arrears of Distribution and Additional Distribution Amounts, on the payment date specified in such notice) *provided that* the satisfaction of any Arrears of Distribution and Additional



Distribution Amount in part shall be at least U.S.\$1,000,000; and

- (b) shall satisfy all outstanding Arrears of Distribution and Additional Distribution Amount (in whole but not in part) on the earliest of:
  - i. the date of redemption of the Securities in accordance with the redemption events described in Condition 6(B) (*Redemption for Taxation Reasons*), Condition 6(C) (*Redemption for an Equity Disqualification Event*), and Condition 6(D) (*Redemption for a Step-up Distribution Event*); or
  - ii. the date on which an order is made or an effective resolution is passed for the Winding-Up of the Company.
- (v) *Partial Payment*: Any partial payment of outstanding Arrears of Distribution and any Additional Distribution Amount by the Company shall be distributed to the Holders of all outstanding Securities on a *pro rata* basis.
- (vi) *No Default*: Notwithstanding any other provision set forth in these Conditions, the deferral of any Distribution payment made in accordance with Condition 4 (*Distribution*) shall not constitute a default on the part of the Company under the Securities or for any other purpose.

## 5 PAYMENTS

### (A) Method of Payment

- (i) *Payment of Principal and Premium*: Payment of principal of, premium or a Distribution on the Securities will be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Securities represented by such Certificates) in the manner provided in Condition 5(A)(ii) (*Payment of Distribution*) below.
- (ii) *Payment of Distribution*: Distributions on each Security shall be made to the Holder shown on the Register at the close of business on the seventh day before the due date for payment thereof (the “**Record Date**”). Payments of Distributions on each Security will be made in U.S. dollars by wire transfer to the registered account of the relevant Holder.

*Payment of principal, premium and Distributions of the Securities evidenced by the Global Certificates will be effected in accordance with the rules of the relevant clearing systems.*

*So long as the Securities are evidenced by the Global Certificates which are held in the name of depository or its nominee on behalf of Euroclear, Clearstream or the Alternative Clearing System, each payment in respect of the Global Certificates will be made to or to the order of the person shown as the registered holder in the Register at the close of business (of the relevant clearing system) on the Clearing System Business Day before the due date for such payment, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive), except 25 December and 1 January.*

### (B) Registered Accounts

For the purposes of Condition 5 (*Payments*), a Holder’s “**registered account**” means the U.S. dollar account maintained by or on behalf of it with a bank, details of which appear on the Register at the close of business (of the specified office of the Registrar) on the Record Date.

### (C) Fiscal Laws

All payments are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S.

Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Holders in respect of such payments.

(D) **Payment Initiation**

Where payment is to be made by wire transfer to a U.S. dollar registered account, payment instructions (for value on the due date or, if that is not a Business Day, for value on the immediately following Business Day) will be initiated on the due date for payment, or, in the case of a payment of principal or premium where the relevant Certificate has not been surrendered at the specified office of the Principal Paying Agent, on the Business Day on which the Principal Paying Agent is open for business and on which the relevant Certificate is surrendered at the specified office of the Principal Paying Agent.

(E) **Delay In Payment**

Holders will not be entitled to any Distribution or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or if the Holder is late in surrendering its Certificate (if required to do so).

(F) **Partial Payment**

If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Company or a Holder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If any other amount which is due on the Securities is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

**6 REDEMPTION, PURCHASE AND CANCELLATION**

(A) **No Fixed Redemption Date**

The Securities are perpetual securities in respect of which there is no fixed redemption date and the Company shall (subject to the provisions described under Condition 2 (*Status of the Securities*) and without prejudice to the provisions described under Condition 8 (*Non-Payment*)) only have the right to redeem or purchase them in accordance with the following provisions under Condition 6 (*Redemption, Purchase and Cancellation*).

(B) **Redemption for Taxation Reasons**

The Securities may be redeemed at the option of the Company, at any time after all the Add Hero Notes and the Aoyuan New Notes have been fully repaid, redeemed or repurchased in whole but not in part, upon not less than 30 nor more than 60 days’ notice to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent (which notice shall be irrevocable), at a redemption price equal to 100% of the principal amount thereof plus any Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution) accrued to, but excluding, the date fixed for redemption if, as a result of any change in or amendment to the laws of a Relevant Jurisdiction (as defined in Condition 7 (*Taxation*)) or the jurisdiction through which payments are made or any regulations or rulings promulgated thereunder, or any change in the existing official position or the stating of an official position regarding the application or interpretation of such laws, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction), which change or amendment is proposed and becomes

effective on or after (i) in the case of the Company, the Issue Date and (ii) with respect to any Surviving Person, the date such Surviving Person becomes a Surviving Person, with respect to any payment due or to become due under the Securities, the Company or a Surviving Person, as the case may be, is, or on the next Distribution Payment Date would be, required to pay Additional Amounts, and such requirement cannot be avoided by the taking of reasonable measures by the Company or a Surviving Person, as the case may be (a **“Withholding Tax Event”**); provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such Additional Amounts if a payment in respect of the Securities were then due.

Prior to the publication of any such notice of redemption, the Company shall deliver to the Fiscal Agent (a) an Officers’ Certificate signed by an authorised signatory stating that the obligation referred to above cannot be avoided by the Company taking reasonable measures available to it; and (b) an opinion of legal counsel or an opinion of a tax consultant, in either case, of recognised standing to the effect that the Company has or will become obliged to pay such Additional Amounts as a result of such change or amendment.

**(C) Redemption for an Equity Disqualification Event**

The Securities may be redeemed at the option of the Company, in whole but not in part, at any time after all the Add Hero Notes and the Aoyuan New Notes have been fully repaid, redeemed or repurchased, upon not less than 30 nor more than 60 days’ notice to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent (which notice shall be irrevocable), at a redemption price equal to 100% of the outstanding principal amount of the Securities, in each case plus any Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution) accrued to, but excluding, the date fixed for redemption, if, immediately before giving such notice, the Company certifies to the Fiscal Agent in an Officers’ Certificate that as a result of any change or amendment to, or change or amendment to any interpretation of, GAAP or any other internationally generally accepted accounting standards that may replace GAAP for the purposes of the consolidated financial statements of the Company (the **“Relevant Accounting Standard”**), the Securities, in whole or in part, must not or must no longer be recorded as “equity” of the Company pursuant to the Relevant Accounting Standard (an **“Equity Disqualification Event”**), provided that such date for redemption shall be no earlier than the last day before the date on which the Securities must not or must no longer be so recorded as “equity” of the Company pursuant to the Relevant Accounting Standard.

Prior to the publication of any such notice of redemption, the Company shall deliver to the Fiscal Agent: (a) an Officers’ Certificate signed by an authorised signatory of the Issuer, stating that the conditions precedent to the right of redemption pursuant to this Condition 4(C) have occurred; and (b) an opinion of the Company’s independent auditors or of a recognised accounting firm of international standing stating that the circumstances referred to above prevail and the date on which the relevant change or amendment to the Relevant Accounting Standard is due to take effect.

**(D) Redemption for a Step-up Distribution Event**

The Securities may be redeemed at the option of the Company, in whole but not in part, at any time after all the Add Hero Notes and the Aoyuan New Notes have been fully repaid, redeemed or repurchased, upon not less than 30 nor more than 60 days’ notice to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent (which notice shall be irrevocable), at a redemption price equal to 100% of the outstanding principal amount of the Securities, plus any Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution) accrued to, but excluding, the date fixed for redemption, if a Step-up Distribution Event occurs and is continuing.

Prior to the publication of any such notice of redemption, the Company shall deliver to the Fiscal Agent an Officers' Certificate stating that the conditions precedent pursuant to this Condition 6(D) to the right of redemption have occurred.

**(E) Redemption at the Option of the Company**

Notwithstanding anything herein to the contrary, the Company may, at its sole discretion, at any time after all the Add Hero Notes and the Aoyuan New Notes have been fully repaid, redeemed or repurchased, upon not less than 30 nor more than 60 days' notice to the Holders (in accordance with Condition 14 (*Notices*) below), the Fiscal Agent and the Principal Paying Agent (which notice shall be irrevocable), use any Other Net Proceeds to make an Offer to Purchase the Securities by way of a reverse Dutch auction, capped at the then-accumulated amount of Other Net Proceeds, at a purchase price per U.S.\$1.00 of Securities of no less than the Minimum Purchase Price, on such other terms as the Company considers appropriate.

To the extent that any Other Net Proceeds remain unused after 45 business days of the Company having at its sole discretion commenced the reverse Dutch auction under this Condition 6(E), the Company shall withdraw the Offer to Purchase and shall apply such remaining Other Net Proceeds to redeem the Securities, in whole or in part, at a redemption price equal to 100% of the outstanding principal amount of the Securities thereof plus any Distributions (including any Arrears of Distribution, Additional Distribution Amounts and Step-up Distribution) accrued to, but excluding, the date fixed for redemption.

**(F) Cancellation**

All Securities which are redeemed or repurchased pursuant to Condition 6(B) (*Redemption for Taxation Reasons*), 6(C) (*Redemption for an Equity Disqualification Event*), 6(D) (*Redemption for a Step-up Distribution Event*) or 6(E) (*Repurchase at the Option of the Company*) by the Company will forthwith be cancelled. Certificates in respect of all Securities cancelled may not be reissued or resold.

**(G) Notice of redemption**

The Agents shall not be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption and shall not be liable to the Holders or any other person for not doing so.

*So long as the Securities are evidenced by the Global Certificates which are held on behalf of Euroclear, Clearstream or the Alternative Clearing System, a right of a Holder to redemption of the Securities pursuant to these Conditions will be effected in accordance with the rules of the relevant clearing system.*

The Agents shall not be obliged to take any steps to ascertain whether a Step-up Distribution Event or Equity Disqualification Event has occurred or to monitor the occurrence of any Step-up Distribution Event or Equity Disqualification Event and shall not be liable to the Holders or any other person for not doing so.

If more than one notice of redemption is given, the first in time shall prevail. The Agents shall not be responsible for calculating or verifying any calculations of any amounts payable under these Conditions.

**7 TAXATION**

All payments of principal of, premium (if any) and Distributions on the Securities will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or within any jurisdiction in which

the Company or a Surviving Person is organised or resident for tax purposes (or any political subdivision or taxing authority thereof or therein) (each, as applicable, a “**Relevant Jurisdiction**”), or the jurisdiction through which payments are made, unless such withholding or deduction is required by law or by regulation or governmental policy having the force of law. In the event that any such withholding or deduction is so required, the Company or a Surviving Person, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as will result in receipt by the Holder of each Security of such amounts as would have been received by such Holder had no such withholding or deduction been required, except that no Additional Amounts shall be payable:

- (i) for or on account of:
  - (a) any tax, duty, assessment or other governmental charge that would not have been imposed but for:
    - (A) the existence of any present or former connection between the Holder or beneficial owner of such Security and the Relevant Jurisdiction or the jurisdiction through which payments are made other than merely holding such Security or the receipt of payments thereunder or the enforcement of or exercise of rights thereunder, including, without limitation, such Holder or beneficial owner being or having been a national, domiciliary or resident of such Relevant Jurisdiction or treated as a resident thereof or being or having been physically present or engaged in a trade or business therein or having or having had a permanent establishment therein; or
    - (B) the presentation of such Security (in cases in which presentation is required) more than 30 days after the later of the date on which the payment of the principal of, premium, if any, and Distributions on, such Security became due and payable pursuant to these Conditions or was made or duly provided for, except to the extent that the Holder thereof would have been entitled to such Additional Amounts if it had presented such Security for payment on any date within such 30-day period; or
    - (C) the failure of the Holder or beneficial owner to comply with a timely request of the Company or a Surviving Person addressed to the Holder to provide information concerning such Holder’s or beneficial owner’s nationality, residence, identity or connection with any Relevant Jurisdiction or the jurisdiction through which payments are made, if and to the extent that due and timely compliance with such request is required under the tax law of such jurisdiction in order to reduce or eliminate any withholding or deduction as to which Additional Amounts would have otherwise been payable to such Holder; or
    - (D) the presentation of such Security (in cases in which presentation is required) for payment in the Relevant Jurisdiction or the jurisdiction through which payments are made, unless such Security could not have been presented for payment elsewhere; or
  - (b) any estate, inheritance, gift, sale, transfer, personal property or similar tax, assessment or other governmental charge; or
  - (c) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (“**FATCA**”), any current or future Treasury Regulations or rulings promulgated thereunder, any

intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement with respect thereto, or any other agreement pursuant to the implementation of FATCA; or

- (d) any combination of taxes, duties, assessments or other governmental charges referred to in the preceding clauses (a), (b) and (c); or
- (ii) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be required to be included in the income under the laws of a Relevant Jurisdiction or the jurisdiction through which payments are made, for tax purposes, of a beneficiary or settlor with respect to the fiduciary, or a member of that partnership or a beneficial owner who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or beneficial owner been the Holder thereof.

Whenever there is mentioned in any context the payment of principal, premium or Distributions in respect of any Security, such mention shall be deemed to include payment of Additional Amounts provided for in these Conditions to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

## **8 NON-PAYMENT**

### **(A) Non-Payment when due**

Notwithstanding any of the provisions below in this Condition 8 (*Non-Payment*), the right to institute Winding-Up proceedings is limited to circumstances where payment has become due. In the case of any Distribution, such Distribution will not be due if the Company has elected to defer that Distribution pursuant to Condition 4(C) (*Distribution Deferral*).

### **(B) Proceedings for Winding-Up**

If (i) there is a Winding-Up of the Company or (ii) subject to Condition 4(C) (*Distribution Deferral*), the Company fails to make a payment in respect of the Securities for a period of 30 days or more after the date on which such payment is due, the Company shall be deemed to be in default under the Securities and Holders holding at least 25% of the aggregate principal amount of the outstanding Securities may institute proceedings for the Winding-Up of the Company and/or prove in the Winding-Up of the Company and/or claim in the liquidation of the Company for such payment.

### **(C) Enforcement**

Without prejudice to Condition 8(B) (*Proceedings for Winding-Up*) and in accordance with these Conditions and the Deed of Covenant, Holders holding at least 25% of the aggregate principal amount of the outstanding Securities may without further notice to the Company take such steps and/or actions and/or institute such proceedings against the Company as they may think fit to enforce any term or condition binding on the Company under the Securities (other than any payment obligation of the Company under or arising from the Securities, including, without limitation, payment of any principal or premium or satisfaction of any Distributions (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) in respect of the Securities, including any damages awarded for breach of any obligations) but in no event shall the Company, by virtue of the institution of any such steps, actions or proceedings, be obliged to pay any sum or sums, in cash or otherwise, sooner than the same would otherwise have been payable by it.

### **(D) Extent of Holders' remedy**

No remedy against the Company, other than as referred to in this Condition 8 (*Non-Payment*) or as set forth in the Deed of Covenant, shall be available to the Holders, whether for the recovery of amounts owing in respect of the Securities or in respect of any breach by the Company of any of its other obligations under or in respect of the Securities.

## **9 PRESCRIPTION**

Claims in respect of amounts due in respect of the Securities will become prescribed unless made within 10 years (in the case of principal and premium) and five years (in the case of Distributions) from the Relevant Date in respect thereof.

## **10 AMENDMENTS, SUPPLEMENTS AND WAIVERS**

### **10.1 Amendments without Consent of Holders**

**10.1.1** The Fiscal Agency Agreement or the Securities may be amended, without the consent of any Holder, to:

- (i) cure any ambiguity, defect, omission or inconsistency in the Fiscal Agency Agreement or the Securities;
- (ii) evidence and provide for the acceptance of appointment by a successor Agent;
- (iii) in any other case where a supplemental fiscal agency agreement to the Fiscal Agency Agreement is required or permitted to be entered into pursuant to the provisions of the Fiscal Agency Agreement without the consent of any Holder; or
- (iv) effect any changes to the Fiscal Agency Agreement in a manner necessary to comply with the procedures of Euroclear, Clearstream or the relevant clearing system.

### **10.2 Amendments with Consent of Holders**

**10.2.1** Amendments of the Fiscal Agency Agreement or the Securities may be made by the Company and the Agents with the consent of the Holders of not less than a majority in aggregate principal amount of the outstanding Securities and the Holders of a majority in principal amount of the outstanding Securities may waive future compliance by the Company with any provision of the Fiscal Agency Agreement or the Securities; provided, however, that no such amendment, supplement or waiver may, without the consent of Holders which in the aggregate hold 75% of the outstanding principal amount of the Securities at such time:

- (i) change any date fixed for payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, Additional Distribution Amount and Step-up Distribution) on any Security;
- (ii) reduce the amount of principal, premium or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) payable on any date in respect of the Securities;
- (iii) change the currency of payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) on any Security;
- (iv) impair the right to institute suit for the enforcement of any payment on or after the date fixed for payment of principal of, premium or Distribution (including any Arrears of Distribution, Additional Distribution Amount and Step-up Distribution) (or, in the case of a redemption, on or after the redemption date) of any Security;
- (v) reduce the above-stated percentage of outstanding Securities the consent of whose

Holders is necessary to modify or amend the Fiscal Agency Agreement;

- (vi) waive a default in payment of principal of, premium, if any, or Distribution (including any Arrears of Distribution, any Additional Distribution Amount and Step-up Distribution) on the Securities;
- (vii) reduce the percentage or aggregate principal amount of outstanding Securities the consent of whose Holders is necessary for waiver of compliance with certain provisions of the Fiscal Agency Agreement, or for waiver of certain defaults;
- (viii) consent to the assignment or transfer by the Company of any of its rights or obligations under the Fiscal Agency Agreement;
- (ix) change the redemption date or the redemption price of the Securities from that stated in Condition 6 (*Redemption, Purchase and Cancellation*);
- (x) amend, change or modify the obligation of the Company to pay Additional Amounts;
- (xi) amend, change or modify any provision of the Fiscal Agency Agreement or the related definition affecting the ranking of the Securities in a manner which adversely affects the Holders; or
- (xii) make any change in the preceding amendment and waiver provisions.

**10.2.2** It is not necessary for Holders to approve the particular form of any proposed amendment, supplement or waiver, but is sufficient if their consent approves the substance thereof.

**10.2.3** An amendment, supplement or waiver under Condition 10.2.1 will become effective on receipt by the Fiscal Agent of written consents from the Holders of the requisite percentage in principal amount of the outstanding Securities. After an amendment, supplement or waiver under Condition 10.2.1 becomes effective, the Company will send to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. The Company will send supplemental fiscal agency agreement to Holders upon request. Any failure of the Company to send such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such supplemental agreement or waiver.

### **10.3 Effect of Consent**

**10.3.1** After an amendment, supplement or waiver becomes effective, it will bind every Holders.

**10.3.2** If an amendment, supplement or waiver changes the terms of a Security, the Fiscal Agent may require the Holder to deliver it to the Fiscal Agent so that the Fiscal Agent may place an appropriate notation of the changed terms on the Security and return it to the Holder, or exchange it for a new Security that reflects the changed terms. The Fiscal Agent may also place an appropriate notation on any Security thereafter authenticated. However, the effectiveness of the amendment, supplement or waiver is not affected by any failure to annotate or exchange Securities in this fashion.

### **10.4 Agent's Rights and Obligations.**

If an Agent has received written consents from the Holders of the requisite percentage in principal amount of the outstanding Securities, it shall sign the amendment, supplement or waiver so long as the same does not adversely affect the rights of the Agents. Each Agent may, but is not obligated to, execute any amendment, supplement or waiver that affects its own rights, duties or immunities under the Fiscal Agency Agreement.

## **11 SUBSTITUTION OR VARIATION**



If a Special Event has occurred and is continuing, then the Company may, subject to Condition 4 (*Distribution*) (without any requirement for the consent or approval of the Holders) and subject to it having notified the Fiscal Agent immediately prior to the giving of any notice referred to in this Condition 11 (*Substitution or Variation*) that the provisions of this Condition 11 (*Substitution or Variation*) have been complied with, and having given not less than 30 nor more than 60 days' irrevocable notice to the Fiscal Agent and, in accordance with Condition 14 (*Notices*), the Holders and following delivery by the Company to the Fiscal Agent of the Officers' Certificate, at any time either (i) substitute all, but not some only, of the Securities for, or (ii) vary the terms of the Securities with the effect that they remain or become (as the case may be), Qualifying Securities.

Upon expiry of such notice period, the Company shall either vary the terms of or, as the case may be, substitute the Securities in accordance with this Condition 11 (*Substitution or Variation*).

The Fiscal Agent shall assist the Company in the substitution of the Securities for, or the variation of the terms of the Securities so that they remain, or as appropriate, become, Qualifying Securities, provided that the Fiscal Agent shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed Qualifying Securities or the participation in or assistance with such substitution or variation would impose, in the Fiscal Agent's opinion, obligations upon it which are more onerous than the obligations set out in the Fiscal Agency Agreement. The Company may appoint another fiscal agent or a third party in case where the Fiscal Agent is unable to participate or assist with the substitution of the Qualifying Securities or variation of the terms of the Qualifying Securities.

In connection therewith, any outstanding Arrears of Distribution (including any Additional Distribution Amount) shall be satisfied in full in accordance with the provisions of Condition 4(C)(iv) (*Satisfaction of Arrears of Distribution by payment*).

In connection with any substitution or variation in accordance with this Condition 11 (*Substitution or Variation*), the Company shall comply with the rules of any stock exchange on which the Securities are for the time being listed or admitted to trading (if applicable).

Any such substitution or variation in accordance with the foregoing provisions of this Condition 11 (*Substitution or Variation*) shall not be permitted if any such substitution or variation would (i) directly give rise to a further Special Event or (ii) result in the same Special Event continuing to subsist with respect to the Securities or the Qualifying Securities.

## **12 REPLACEMENT OF CERTIFICATES**

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar or any Transfer Agent upon payment by the claimant of such reasonable costs as may be incurred in connection therewith and on such terms as to evidence as the Company and/or the Registrar or such Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **13 FURTHER ISSUES**

The Company may from time to time, without notice to or the consent of the Holders, create and issue further securities having the same terms and conditions as the Securities in all respects (or in all respects except for the first payment of Distribution in respect of them) and so that such further issue shall be consolidated and form a single series with the Securities. References in these Conditions to the Securities include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Securities.

## **14 NOTICES**

Notices to the Holders shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. The Company shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Securities are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

*So long as the Securities are represented by the Global Certificates and the Global Certificates are held on behalf of Euroclear, Clearstream or the Alternative Clearing System, notices to Holders shall be given by delivery of the relevant notice to Euroclear, Clearstream or the Alternative Clearing System, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by these Conditions and shall be deemed to have been given on the date of delivery to such clearing system.*

## **15 AGENTS**

In acting under the Fiscal Agency Agreement and in connection with the Securities, the Agents act solely as agents of the Company and do not assume any obligations towards, or relationship of agency or trust for or with, any of the Holders.

The names of the initial Registrar and other initial Agents and their specified offices are set out in the Fiscal Agency Agreement. The Company reserves the right at any time to vary or terminate the appointment of the Registrar or any other Agent and to appoint a replacement Registrar or additional or other Agent. The Company will at all times maintain (a) a Fiscal Agent, (b) a Principal Paying Agent and (c) a Registrar which will maintain the Register outside the United Kingdom.

Notice of any changes in the specified offices of the Registrar or any other Agent and of any change in the identity of the Registrar, the Principal Paying Agent or the Fiscal Agent will be given promptly by the Company to the Holders in accordance with Condition 14 (*Notices*).

## **16 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999 except to the extent expressly provided for in these Conditions. This does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **17 GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **(A) Governing Law**

The Securities and the Fiscal Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with English law.

### **(B) Jurisdiction**

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Securities and accordingly any legal action or proceedings arising out of or in connection with the Securities and/or the Fiscal Agency Agreement (“**Proceedings**”) may be brought in such courts. The Company irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the

taking of Proceedings in any other jurisdiction (whether concurrently or not).

(C) **Agent for Service of Process**

The Company irrevocably agrees to receive service of process in any Proceedings in Hong Kong based on any of the Securities at the Company's business address in Hong Kong, currently at 19th Floor, One Peking, 1 Peking Road, Tsim Sha Tsui, Kowloon, Hong Kong SAR, China. Such service shall be deemed completed on delivery to such address (whether or not, it is forwarded to and received by the Company). If for any reason the Company no longer has an address in Hong Kong, the Company shall forthwith appoint a substitute process agent in Hong Kong and deliver to the Holders a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing shall affect the right to serve process in any manner permitted by law.

**18 WAIVER OF IMMUNITY**

To the extent that the Company has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Company irrevocably waives such immunity in respect of its obligations under the Securities to the full extent permitted by the laws of such jurisdiction.

**19 DEFINITIONS**

In these Conditions:

**"Add Hero Notes"** means the U.S. dollar-denominated senior notes, issued by Add Hero Holdings Limited on the Issue Date.

**"Aoyuan New Notes"** means the U.S. dollar-denominated senior notes, issued by the Company concurrently with the Securities.

**"Aoyuan New Notes Indenture"** means the indenture (including all exhibits hereto) dated the Issue Date in connection with the Aoyuan New Notes as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental thereto entered into pursuant to the applicable provisions thereof.

**"Approved Brokers"** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**"Breach of Covenant Event"** means (i) the occurrence of a Covenant Breach and (ii) Holders holding at least 25% in aggregate principal amount of the Securities then outstanding giving notice to the Company that the applicable Distribution Rate will be adjusted in accordance with Condition 4(B)(ii) (*Increase in Distribution Rate following Occurrence of a Step-up Event*).

**"Business Day"** means:

- (i) in respect of Condition 3 (*Transfers of Securities; Issue of Certificates*), any day other than a Saturday or Sunday on which commercial banks are open for general business in the city in which the specified office of the Registrar or the relevant Transfer Agent (to whom the relevant Certificate is delivered in connection with a transfer) is located;
- (ii) in respect of Condition 4 (*Distribution*), any day other than a Saturday and a Sunday on which commercial banks are open for general business (including dealings in foreign currencies) in Hong Kong and New York; and
- (iii) in respect of Condition 5 (*Payments*), any day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and New York; and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

**“Capital Stock”** means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such Person, whether outstanding on the Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

**“Common Stock”** means, with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such Person’s common stock or ordinary shares, whether or not outstanding on the Issue Date, and include, without limitation, all series and classes of such common stock or ordinary shares.

**“Covenant Breach”** means a non-compliance and/or non-performance by the Company of any one or more of its obligations and covenants set out in article 4 (*Covenants*) and article 5 (*Consolidation, Merger and Sale of Assets*) of the Aoyuan New Notes Indenture (and for the avoidance of doubt, irrespective of whether the Aoyuan New Notes remain outstanding).

**“Current Securities Trading Price”** means at any date of determination, the arithmetic average of the bid price per U.S.\$1.00 of Securities published by or derived from five Approved Brokers over the past 15 Trading Days ending on the Trading Day immediately preceding such date of determination.

**“Distribution Payment Date”** means 30 March and 30 September of each year, commencing on 30 March 2032.

**“Existing Onshore Indebtedness”** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**“Fitch”** means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

**“GAAP”** means International Financial Reporting Standards, formulated by the International Accounting Standards Board, as in effect from time to time. All ratios and computations contained or referred to in these Conditions shall be computed in conformity with GAAP applied on a consistent basis.

**“Group”** means the Company and any of its Subsidiaries.

**“Holder”** or, in respect of a Security, **“holder”** means a Person in whose name a Security is registered in the Register.

**“Indebtedness”** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**“Issue Date”** means [●] [*Note: RED*]

**“Minimum Purchase Price”** means a price per U.S.\$1.00 of Securities to be repurchased equal to the lower of (A) the Current Securities Trading Price plus a premium of 10% plus accrued and unpaid Distribution, if any, on such Securities to be repurchased up to but excluding the relevant repurchase date and (B) 100% of the outstanding principal amount of such Securities to be repurchased plus accrued and unpaid Distribution, if any, on such Securities to be repurchased up to but excluding the relevant repurchase date.

**“Moody’s”** means Moody’s Investors Service, Inc. and successors.

**“Offer to Purchase”** means an offer to purchase the Securities by the Company from the Holders commenced by mailing a notice by first class mail, postage prepaid, to the Fiscal Agent, the Principal Paying Agent and each Holder at its last address appearing in the Register stating:

(1) the provision of the Conditions pursuant to which the offer is being made and that all

Securities validly tendered will be accepted for payment on a pro rata basis;

- (2) the purchase price and the date of purchase (which shall be a Business Day no earlier than 15 days nor later than 60 days from the date such notice is mailed) (the **“Offer to Purchase Payment Date”**);
- (3) that any Security not tendered will continue to accrue Distribution pursuant to its terms;
- (4) that, unless the Company defaults in the payment of the purchase price, any Security accepted for payment pursuant to the Offer to Purchase shall cease to accrue Distribution on and after the Offer to Purchase Payment Date;
- (5) that Holders electing to have a Security purchased pursuant to the Offer to Purchase will be required to surrender the Security, together with the form entitled **“Option of the Holder to Elect Purchase”** on the reverse side of the Security completed, to the Principal Paying Agent at the address specified in the notice prior to the close of business on the Business Day immediately preceding the Offer to Purchase Payment Date;
- (6) that Holders will be entitled to withdraw their election if the Principal Paying Agent receives, not later than the close of business on the third Business Day immediately preceding the Offer to Purchase Payment Date, a facsimile transmission or letter setting forth the name of such Holder, the principal amount of Securities delivered for purchase and a statement that such Holder is withdrawing his election to have such Securities purchased; and
- (7) that Holders whose Securities are being purchased only in part will be issued new Securities equal in principal amount to the unpurchased portion of the Securities surrendered; provided that each Security purchased and each new Security issued shall be in a principal amount of U.S.\$1,000 or integral multiples of U.S.\$1 in excess thereof.

On the Offer to Purchase Payment Date, the Company shall (a) accept for payment on a pro rata basis Securities or portions thereof tendered pursuant to an Offer to Purchase; and (b) deliver, or cause to be delivered, to the Fiscal Agent all Securities or portions thereof so accepted together with an Officers' Certificate specifying the Securities or portions thereof accepted for payment by the Company and one Business Day prior to the Offer to Purchase Payment Date, the Company shall deposit with the Principal Paying Agent money sufficient to pay the purchase price of all Securities or portions thereof so accepted. The Fiscal Agent shall be entitled to conclusively rely on such Officers' Certificate without any liability or responsibility to any person. The Paying Agent shall promptly pay by wire transfer (at the expense of the Company) to the Holders of Securities so accepted payment in an amount equal to the purchase price, and the Registrar shall promptly authenticate and mail to such Holders a new Security equal in principal amount to any unpurchased portion of the Security surrendered; provided that each Security purchased and each new Security issued shall be in a principal amount of U.S.\$1,000 or integral multiples of U.S.\$1 in excess thereof. The Company will publicly announce the results of an Offer to Purchase as soon as practicable after the Offer to Purchase Payment Date. The Company will comply with any securities laws and regulations thereunder to the extent such laws and regulations are applicable, in the event that the Company is required to repurchase Securities pursuant to an Offer to Purchase.

To the extent that the provisions of any securities laws or regulations of any jurisdiction conflict with the provisions of the Conditions governing any Offer to Purchase, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the Conditions by virtue of such compliance.

The materials used in connection with an Offer to Purchase are required to contain or incorporate by reference information concerning the business of the Company and its Subsidiaries which the

Company in good faith believes will assist such Holders to make an informed decision with respect to the Offer to Purchase, including a brief description of the events requiring the Company to make the Offer to Purchase, and any other information required by applicable law to be included therein. The offer is required to contain all instructions and materials necessary to enable such Holders to tender Securities pursuant to the Offer to Purchase.

**“Officer”** means one of the executive officers of the Company.

**“Officers’ Certificate”** means a certificate signed by two Officers.

**“Other Net Proceeds”** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**“Other Offshore Indebtedness”** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**“Person”** means any individual, corporation, partnership, limited liability company, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

**“PRC”** means the People’s Republic of China, excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

**“Preferred Stock”** as applied to the Capital Stock of any Person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over any other class of Capital Stock of such Person.

**“Qualifying Securities”** means securities that:

- (a) have terms not materially less favourable to an investor from the terms of the Securities (as reasonably determined by the Company and an independent investment bank, and provided that a certification to such effect (and confirming that the conditions set out in (i), (ii) and (iii) below have been satisfied) of a director of the Company and from an independent investment bank shall have been delivered to the Holders of the Securities prior to the substitution or variation of the relevant Securities, provided that:
  - (i) they are issued by the Company or issued by any wholly-owned direct or indirect finance subsidiary of the Company and unconditionally and irrevocably guaranteed by the Company;
  - (ii) they (or, as appropriate, the guarantee as aforesaid) shall rank *pari passu* with the Securities on a winding-up of the issuer or guarantor thereof, shall preserve the rights of the Holders of the Securities to any Arrears of Distribution and any other payment that has accrued with respect to the Securities, and (A) they shall contain terms which provide for the same Distribution Rate, Distribution Payment Dates, Distribution deferral provisions and redemption events, from time to time applying to the Securities, and (B) other terms of such securities are substantially identical (as reasonably determined by the Company and an independent investment bank) to the Securities, except for the modifications or amendments to such terms that are specifically required to be made in order to avoid or resolve an Equity Disqualification Event or, as the case may be, a Withholding Tax Event; and
  - (iii) they shall not contain loss absorbing provisions, such as principal write-offs, write-downs or conversion to equity; and
- (b) have been, or will on issue be, assigned at least the same rating as that assigned by the Rating

Agency to the Securities immediately prior to such substitution or variation.

**“Rating Agencies”** means (1) S&P, (2) Moody’s and (3) Fitch; provided that if S&P, Moody’s or Fitch, two of the three or all three of them shall not make a rating of the Securities publicly available, one or more “nationally recognized securities rating agency or agencies”, as the case may be, selected by the Company, which shall be substituted for S&P, Moody’s, Fitch, two of the three or all three of them, as the case may be.

**“Relevant Date”** in respect of any Security means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Holders that, upon further surrender of the Certificate representing such Security being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

**“Relevant Indebtedness Default Event”** means a default which is continuing under any indebtedness of the Group (or indebtedness the payment of which is guaranteed by the Group), whether such indebtedness or guarantee now exists or is created after the Issue Date, which default results in the acceleration of such indebtedness prior to its stated maturity, and the principal amount of any such indebtedness, together with the principal amount of any other such indebtedness the stated maturity of which has also been accelerated, equals or exceeds U.S.\$10 million, *provided, however*, that the foregoing shall not apply to any default or event of default arising or resulting from or related to (A) any Existing Onshore Indebtedness or (B) any Other Offshore Indebtedness.

**“Relevant Reset Distribution Period”** has the meaning given to it in paragraph (h) of Condition 4(B)(i) (*Applicable Distribution Rate*).

**“Relevant Reset Distribution Rate”** in respect of a Relevant Reset Distribution Period, means the Distribution Rate applicable immediately before such Relevant Reset Distribution Period plus 3.00%.

**“Reset Date”** means the First Reset Date, the Second Reset Date, the Third Reset Date, the Fourth Reset Date, the Fifth Reset Date, the Sixth Reset Date, the Seventh Reset Date, and each anniversary of the Seventh Reset Date thereafter.

**“Reset Distribution Period”** means the period beginning on and including the First Reset Date and ending on but excluding the following Reset Date, and each successive period beginning on and including a Reset Date and ending on but excluding the next succeeding Reset Date.

**“S&P”** means S&P Global Ratings and its affiliates.

**“Special Event”** means a Withholding Tax Event, an Equity Disqualification Event or any combination of the foregoing.

**“Step-up Distribution Event”** means a Breach of Covenant Event or a Relevant Indebtedness Default Event, as the case may be.

**“Subsidiary”** has the meaning given to it in section 1.01 (*Definitions*) of the Aoyuan New Notes Indenture.

**“Surviving Person”** has the meaning given to it in section 5.01(a)(i) of the Aoyuan New Notes Indenture.

**“Trading Day”** means, with respect to any security, a day on which the securities exchange on which such security is listed is open for trading.

**“Treasury Regulations”** means tax regulations as issued by the United States Internal Revenue

Service (IRS) from time to time.

“**U.S. dollars**” or “**U.S.\$**” refers to the lawful currency of the United States.

“**Winding-Up**” means, with respect to the Company, a final and effective order by a competent authority in the jurisdiction of the Company for the bankruptcy, winding-up, liquidation, administration or similar proceedings in respect of the Company (except, in any such case, a solvent winding-up solely for the purposes of a reorganization, reconstruction, merger or amalgamation the terms of which reorganization, reconstruction, merger or amalgamation have previously been approved in writing by the Holders of the Securities of at least a majority in aggregate principal amount of the outstanding Securities).



**Schedule 3**  
**Regulations Concerning the Transfer and Registration of Securities**

- 1 Each Certificate shall represent an integral number of Securities.
- 2 The Securities are transferable by execution of the form of transfer on each Certificate endorsed under the hand of the transferor or, where the transferor is a corporation, under its common seal or under the hand of two of its directors or duly authorised officers duly authorised in writing. In this Schedule 3, “**transferor**” shall where the context permits or requires include joint transferors and be construed accordingly.
- 3 The Certificate issued in respect of the Securities to be transferred must be delivered for registration to the office of a Transfer Agent or the Registrar accompanied by such other evidence (including certificates and/or legal opinions) as the Transfer Agent or the Registrar may require to prove the title of the transferor or his right to transfer the Securities and his identity and, if the form of transfer is executed by some other person on his behalf or in the case of the execution of a form of transfer on behalf of a corporation by its officers, the authority of that person or those persons to do so. The signature of the person effecting a transfer of a Security shall conform to any list of duly authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the relevant Transfer Agent or the Registrar may require.
- 4 Unless otherwise requested by him and agreed by the Company and save as provided in the Conditions, each holder of more than one Security shall be entitled to receive only one Certificate in respect of his holding.
- 5 Unless otherwise requested by them and agreed by the Company and save as provided in the Conditions, the joint holders of one or more Securities shall be entitled to receive only one Certificate in respect of their joint holding which shall, except where they otherwise direct, be delivered to the joint holder whose name appears first in the register of the holders of Securities in respect of the joint holding. All references to “**holder**”, “**transferor**” and “**transferee**” shall include joint holders, transferors and transferees.
- 6 The executors or administrators of a deceased holder of Securities (not being one of several joint holders) and, in the case of the death of one or more of joint holders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company as having any title to such Securities.
- 7 Any person becoming entitled to Securities in consequence of the death or bankruptcy of the holder of such Securities may, upon producing such evidence that he holds the position in respect of which he proposes to act under this paragraph or of his title as the Transfer Agent or the Registrar shall require (including legal opinions), be registered himself as the holder of such Securities or, subject to the preceding paragraphs as to transfer, may transfer such Securities. The Company, the Transfer Agents and the Registrar may retain any amount payable upon the Securities to which any person is so entitled until such person shall be so registered or shall duly transfer the Securities.
- 8 Upon the surrender of a Certificate representing any Securities to be transferred or in respect of which an option is to be exercised or any other Holders’ right to be demanded or exercised, the Transfer Agent or the Registrar to whom such Security is surrendered shall request reasonable evidence as to the identity of the person (the “**Surrendering Party**”) who has executed the form of transfer on the Certificate or other accompanying notice or documentation, as the case may be, if such signature does not conform to any list of duly authorised specimen signatures supplied by the registered holder. If the signature corresponds with the name of the registered holder, such evidence may take the form of a certifying signature by a notary public or a

recognised bank. If the Surrendering Party is not the registered holder or is not one of the persons included on any list of duly authorised persons supplied by the registered holder, the Transfer Agent or the Registrar shall require reasonable evidence (which may include legal opinions) of the authority of the Surrendering Party to act on behalf of, or in substitution for, the registered holder in relation to such Securities.

- 9** The Company, the Registrar and the Transfer Agent shall make no charge to the holders for the registration of any holding of Securities or any transfer of Securities or for the issue of any Certificates or for the delivery of Certificates at the specified office of the Transfer Agent or the Registrar to whom the request for registration, transfer or delivery was delivered or by uninsured post to the address specified by the holder. If any holder entitled to receive a Certificate wishes to have it delivered to him otherwise than at the specified office of such Agent or the Registrar, such delivery shall be made upon his written request to the Transfer Agent or the Registrar, at his risk and (except where sent by uninsured post to the address specified by the holder) at his expense.
- 10** The Transfer Agent will within three Business Days (at the place of the specified office of the Transfer Agent) of a request to effect a transfer of a Security (or within 21 days if the transfer is of a Security represented by a Global Certificate) deliver at its specified office to the transferee or despatch by mail (at the risk of the transferee) to such address as the transferee may request, a new Certificate in respect of the Security or Securities transferred. In the case of a transfer or redemption of fewer than all the Securities in respect of which a Certificate is issued, a new Certificate in respect of the Securities not transferred or redeemed will be so delivered to the holder of the Securities to its address appearing on the register of holders of Securities.
- 11** The Registrar, with the prior written approval of the Fiscal Agent and the Principal Paying Agent, may promulgate any other regulations that it may deem necessary for the registration and transfer of the Securities.

**Schedule 4**  
**Notice of Deferral Election**

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

*(a company incorporated in the Cayman Islands with limited liability)*

**U.S.\$[●] Senior Perpetual Capital Securities**  
**(the “Securities”)**

ISIN: [●]

Common Code: [●]

[Date]

Madison Pacific Trust Limited (the “**Fiscal Agent**”)  
17th Floor, Far East Finance Centre  
16 Harcourt Road, Admiralty  
Hong Kong

Pursuant to Condition 4(C)(i) (*Deferral*), China Aoyuan Group Limited 中國奧園集團股份有限公司, a company incorporated in the Cayman Islands with limited liability (the “**Company**”), hereby gives notice and confirms that it has elected to defer Distribution scheduled to be paid on the Distribution Payment Date falling on [●] to the next Distribution Payment Date on [●], and that the Company shall have no obligation to pay any Distribution in accordance with the Condition 4(C) (*Distribution Deferral*) (including any Arrears of Distribution and any Additional Distribution Amount) on [●].

Capitalised terms used therein and not defined shall have the meanings given in the terms and conditions of the Securities.

Yours faithfully,

For and on behalf of

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**

Name:

Title:

This Agreement has been entered into on the date stated at the beginning.

**CHINA AOYUAN GROUP LIMITED 中國奧園集團股份有限公司**  
as Company

By: \_\_\_\_\_

Name:

Title:

**MADISON PACIFIC TRUST LIMITED**

as Fiscal Agent and Principal Paying Agent

By: \_\_\_\_\_

Name:

Title:

**MADISON PACIFIC TRUST LIMITED**

as Registrar and Transfer Agent

By: \_\_\_\_\_

Name:

Title:

**APPENDIX 14**  
**FINANCIAL STATEMENTS**

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



# 中國奧園集團股份有限公司

## China Aoyuan Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3883)

### ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

The board of directors (the “Board”) of China Aoyuan Group Limited (“China Aoyuan”, “Aoyuan” or the “Company”) is pleased to present the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2023 (the “Reporting Period”) together with comparative figures for the corresponding period in the previous year as follows:

#### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2023

		Six months ended	
	Notes	30.6.2023 RMB'000 (unaudited)	30.6.2022 RMB'000 (unaudited)
Revenue			
Contracts with customers	3	10,849,420	8,694,877
Leases		91,454	50,307
Total revenue		10,940,874	8,745,184
Cost of sales		(10,199,293)	(8,588,428)
Gross profit		741,581	156,756
Other income, gains and losses, net	5	(1,337,594)	(1,249,679)
Change in fair value of investment properties		—	93,093
Selling and distribution expenses		(494,529)	(686,974)
Administrative expenses		(882,557)	(1,193,454)
Loss on disposal of subsidiaries		(509,598)	(407,498)
Share of results of joint ventures		218,745	(303,907)
Share of results of associates		(12,938)	9,188
Finance costs		(120,300)	(153,730)



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONT'D)

		Six months ended	
		30.6.2023	30.6.2022
	Notes	RMB'000	RMB'000
		(unaudited)	(unaudited)
Loss before tax		(2,397,190)	(3,736,205)
Income tax (expense)/credit	6	<u>(499,110)</u>	<u>219,010</u>
Loss for the period	7	<u><u>(2,896,300)</u></u>	<u><u>(3,517,195)</u></u>
Other comprehensive expenses			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(25,301)	(13,519)
<i>Items that will not be reclassified to profit or loss:</i>			
Fair value gain/(loss) on equity instruments designated at fair value through other comprehensive income ("FVTOCI")		<u>7,999</u>	<u>(20,095)</u>
OTHER COMPREHENSIVE EXPENSES FOR THE PERIOD		<u>(17,302)</u>	<u>(33,614)</u>
Total comprehensive expenses for the period		<u><u>(2,913,602)</u></u>	<u><u>(3,550,809)</u></u>
Loss for the period attributable to:			
Owners of the Company		(2,944,918)	(2,920,649)
Non-controlling interests		<u>48,618</u>	<u>(596,546)</u>
		<u><u>(2,896,300)</u></u>	<u><u>(3,517,195)</u></u>
Total comprehensive expenses for the period attributable to:			
Owners of the Company		(2,962,220)	(2,955,654)
Non-controlling interests		<u>48,618</u>	<u>(595,155)</u>
		<u><u>(2,913,602)</u></u>	<u><u>(3,550,809)</u></u>
Loss per share (RMB cents)			
Basic	9	<u><u>(99.30)</u></u>	<u><u>(98.49)</u></u>
Diluted	9	<u><u>(99.30)</u></u>	<u><u>(98.49)</u></u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2023

	Note	30.6.2023 <b>RMB'000</b> (unaudited)	31.12.2022 <b>RMB'000</b> (audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>3,494,744</b>	3,694,201
Right-of-use assets		<b>785,275</b>	900,102
Investment properties		<b>12,509,273</b>	12,623,124
Goodwill		<b>678,831</b>	829,948
Intangible assets		–	78,858
Interests in joint ventures		<b>2,242,255</b>	1,623,823
Interests in associates		<b>1,067,102</b>	1,080,977
Equity instruments at fair value through profit or loss ("FVTPL")		<b>259,217</b>	259,217
Equity instruments designated at FVTOCI		<b>355,868</b>	490,369
Deferred tax assets		<b>3,474,037</b>	3,478,210
Deposits paid for acquisitions of property, plant and equipment		–	2,524
		<b>24,866,602</b>	25,061,353
<b>CURRENT ASSETS</b>			
Properties for sale		<b>137,601,589</b>	142,718,029
Inventories		<b>185,984</b>	200,091
Trade and other receivables	10	<b>30,642,562</b>	33,237,234
Amounts due from non-controlling shareholders of subsidiaries		<b>2,248,853</b>	2,474,933
Amounts due from joint ventures		<b>11,752,638</b>	9,826,733
Amounts due from associates		<b>553,365</b>	547,480
Financial assets at FVTPL		<b>30,597</b>	68,397
Tax recoverable		<b>5,080,596</b>	5,098,240
Restricted bank deposits		<b>3,562,950</b>	4,231,253
Bank balances and cash		<b>3,374,480</b>	5,110,292
		<b>195,033,614</b>	203,512,682
Assets classified as held for sale		<b>1,920,650</b>	5,851,850
Total current assets		<b>196,954,264</b>	209,364,532

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

		<b>30.6.2023</b>	31.12.2022
	<i>Note</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(unaudited)</b>	<b>(audited)</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	<b>55,107,997</b>	51,734,603
Contract liabilities		<b>52,221,418</b>	62,997,380
Amounts due to non-controlling shareholders of subsidiaries		<b>2,506,034</b>	2,968,840
Amounts due to joint ventures		<b>7,786,207</b>	8,501,038
Amounts due to associates		<b>1,200,769</b>	1,209,978
Tax liabilities		<b>10,170,003</b>	9,677,345
Bank and other borrowings		<b>68,698,995</b>	66,690,263
Lease liabilities		<b>322,184</b>	353,571
Senior notes and bonds		<b>34,400,803</b>	32,755,541
		<b>232,414,410</b>	236,888,559
Liabilities directly associated with assets classified as held for sale		<b>1,055,916</b>	2,345,111
Total current liabilities		<b>233,470,326</b>	239,233,670
<b>NET CURRENT LIABILITIES</b>		<b>(36,516,062)</b>	(29,869,138)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>(11,649,460)</b>	(4,807,785)
<b>NON-CURRENT LIABILITIES</b>			
Bank and other borrowings		<b>5,772,380</b>	9,604,087
Deferred tax liabilities		<b>1,427,916</b>	1,484,375
Lease liabilities		<b>1,106,444</b>	1,161,505
Deferred income		<b>576,174</b>	579,144
Total non-current liabilities		<b>8,882,914</b>	12,829,111
<b>NET LIABILITIES</b>		<b>(20,532,374)</b>	(17,636,896)
<b>CAPITAL AND RESERVES</b>			
Share capital		<b>27,726</b>	27,726
Reserves		<b>(25,618,730)</b>	(22,745,141)
Equity attributable to owners of the Company		<b>(25,591,004)</b>	(22,717,415)
Non-controlling interests		<b>5,058,630</b>	5,080,519
<b>TOTAL EQUITY</b>		<b>(20,532,374)</b>	(17,636,896)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2023*

## 1. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements of China Aoyuan Group Limited and its subsidiaries (collectively “the Group”) for the six months ended 30 June 2023 have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “IASB”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

### Going concern basis

During the six months ended 30 June 2023, the Group recorded a net loss of approximately RMB2,896 million and a net operating cash outflow. As at 30 June 2023, the Group’s current liabilities (after reclassifying certain bank and other borrowings and senior notes and bonds with scheduled repayment dates beyond one year after 30 June 2023 as current liabilities due to defaults and cross defaults in repayment) exceeded its current assets by approximately RMB36,516 million. At the same date, the Group’s total bank and other borrowings and senior notes and bonds amounted to RMB108,872 million, out of which RMB103,100 million will be due for repayment within the next twelve months from the end of the reporting period. Further, the Group has commitments including its share of commitments made jointly with investors relating to its joint ventures in aggregate of approximately RMB19,444 million, while the Group has total bank balances and cash (including restricted bank deposits) of approximately RMB6,937 million.

As at 30 June 2023, the Group had defaulted the repayment of certain bank and other borrowings of approximately RMB37,044 million and senior notes and bonds of approximately RMB28,540 million. Such events triggered default and cross-default clauses in several other bank borrowings and senior notes and bonds of the Group. As a result of such, the relevant banks and financial institutions have the rights to request the Group to immediately repay bank and other borrowings of approximately RMB21,811 million and senior notes and bonds of approximately RMB5,861 million. Subsequent to 30 June 2023 and up to 30 August 2023, apart from the aforesaid bank and other borrowings and senior notes and bonds, the Group had not repaid bank and other borrowings of approximately RMB615 million that are due for repayment. Furthermore, as at 30 June 2023 and up to the date of these condensed consolidated financial statements, the Group has been and is being sued by various parties for various reasons. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern.

In view of these circumstances, the Directors have given consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern and the appropriateness of the use of the going concern basis in the preparation of these consolidated financial statements. In order to improve the Group’s liquidity and cash flows to sustain the Group as a going concern, the Group implemented or is in the process of implementing the following measures:

- (a) The Group, together with its financial and legal advisors, have maintained active communication with the offshore creditors to formulate and agree a practical and feasible offshore holistic debt restructuring plan (the “Holistic Restructuring”) aimed at addressing the current liquidity issue, enhancing credit profile of the Group and protecting the interests of all stakeholders.

The Group and an ad-hoc group comprising holders of certain offshore senior bond and notes issued by the Company (the “AHG”), together with respective advisors, have been engaged in constructive discussion towards a consensual Holistic Restructuring that would provide the Group with a sustainable capital structure to deliver long-term value for all of its stakeholders. As at the date of approval of these condensed consolidated financial statements, the restructuring support agreement (the “RSA”) has been agreed between the Company and AHG, with over 75% of senior noteholders subsequently acceding to the RSA. The Directors are confident that the Holistic Restructuring will ultimately reach a successful conclusion based on the progress achieved to date.

- (b) The Group has been actively negotiating with onshore open market bond investors on the extension of debts. As at the date of approval of these condensed consolidated financial statements, a modified repayment arrangement was made in respect of the principal and related interests amounting to approximately RMB7,464 million in aggregate, where the repayment period has been extended to 2026 with the interest rates remaining unchanged.

The Group has been also actively negotiating with other onshore lenders on the extension of borrowings. As at the date of approval of these condensed consolidated financial statements, the Group has entered into contractual arrangements with certain onshore financial institutions to extend the maturity of existing onshore financing arrangements involving borrowings of approximately RMB19,751 million in principal amount.

The Directors believe that the Group will be able to extend the repayment period for its other onshore open market bonds and onshore financing arrangements.

- (c) The Group has been actively exploring and will continue to explore potential opportunities of asset disposal to create liquidity for, and alleviate or resolve debt issues.
- (d) To ensure the stability and sustainable operation of the Group's business, the Group has consolidated and optimised resources to revitalise the construction and sales of its properties, reducing its operating expenses and make every effort to improve the Group's liquidity position.
  - (I) The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables.
  - (II) The Group has prioritised delivery of property development projects. As at the date of approval of these condensed consolidated financial statements, majority of the Group's property development projects are progressing according to schedule, and the Group continues to ensure the completion and delivery of its property development projects.
  - (III) The Group has adjusted organisational structure to reduce the management levels, enhance management efficiency and effectively control costs and expenses. The Group will continue to actively assess additional measures to further reduce discretionary spending.
  - (IV) The Group has been proactive in seeking ways to settle the outstanding litigations of the Group. The Group is confident that it will be able to reach an amicable solution to address claims and disputes where the outcome is not certain at this stage.

Taking into account the above plans and measures, and the Group's cash flow projections prepared by the management covering a period of not less than twelve months from 30 June 2023, the Directors are of the opinion that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. Accordingly, the Directors considered that it is appropriate to prepare the condensed consolidated financial statements of the Group for the six months ended 30 June 2023 on a going concern basis.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned above, it might not be able to operate as a going concern, and, adjustments would have to be made to reduce the carrying amounts of the Group's assets to their realisable amounts, to provide for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of all these potential adjustments have not been reflected in the condensed financial statements of the Group for the period ended 30 June 2023.

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for the investment properties and certain financial instruments, which are measured at fair values as appropriate.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”) and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2022.

### Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs, for the first time, which are mandatory effective for annual period beginning on or after 1 January 2023 for the preparation of the Group’s condensed consolidated financial statements:

IFRS 17 and related amendments	<i>Insurance Contracts</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform – Pillar Two Model Rules</i>

The application of the amendments to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### 3. REVENUE

#### Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2023				
	Property development <i>RMB'000</i>	Property investment <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods or services</b>				
Sales of properties				
Residential apartments	8,806,853	–	–	8,806,853
Commercial apartments	21,270	–	–	21,270
Retail shops and others	170,457	–	–	170,457
Low-density residential	266,159	–	–	266,159
	<u>9,264,739</u>	<u>–</u>	<u>–</u>	<u>9,264,739</u>
Others				
Property management services	–	–	680,068	680,068
Others	–	–	904,613	904,613
	<u>–</u>	<u>–</u>	<u>1,584,681</u>	<u>1,584,681</u>
Revenue from contracts with customers	9,264,739	–	1,584,681	10,849,420
Property investment				
Commercial and retail shops	–	91,454	–	91,454
	<u>–</u>	<u>91,454</u>	<u>–</u>	<u>91,454</u>
Total	<u>9,264,739</u>	<u>91,454</u>	<u>1,584,681</u>	<u>10,940,874</u>
<b>Timing of revenue recognition</b>				
At a point of time	9,264,739	–	866,927	10,131,666
Recognised over time	–	–	717,754	717,754
	<u>9,264,739</u>	<u>–</u>	<u>1,584,681</u>	<u>10,849,420</u>
Rental income	–	91,454	–	91,454
	<u>–</u>	<u>91,454</u>	<u>–</u>	<u>91,454</u>
Total	<u>9,264,739</u>	<u>91,454</u>	<u>1,584,681</u>	<u>10,940,874</u>

For the six months ended 30 June 2022

	Property development <i>RMB'000</i>	Property investment <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods or services</b>				
Sales of properties				
Residential apartments	5,754,902	—	—	5,754,902
Commercial apartments	32,932	—	—	32,932
Retail shops and others	913,111	—	—	913,111
Low-density residential	792,782	—	—	792,782
	<u>7,493,727</u>	<u>—</u>	<u>—</u>	<u>7,493,727</u>
Others				
Property management services	—	—	565,105	565,105
Others	—	—	636,045	636,045
	<u>—</u>	<u>—</u>	<u>1,201,150</u>	<u>1,201,150</u>
Revenue from contracts with customers	7,493,727	—	1,201,150	8,694,877
Property investment				
Commercial and retail shops	—	50,307	—	50,307
	<u>—</u>	<u>50,307</u>	<u>—</u>	<u>50,307</u>
Total	<u>7,493,727</u>	<u>50,307</u>	<u>1,201,150</u>	<u>8,745,184</u>
<b>Timing of revenue recognition</b>				
At a point of time	7,493,727	—	633,392	8,127,119
Recognised over time	—	—	567,758	567,758
	<u>7,493,727</u>	<u>—</u>	<u>1,201,150</u>	<u>8,694,877</u>
Rental income	—	50,307	—	50,307
	<u>—</u>	<u>50,307</u>	<u>—</u>	<u>50,307</u>
Total	<u>7,493,727</u>	<u>50,307</u>	<u>1,201,150</u>	<u>8,745,184</u>



#### 4. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable and operating segments:

##### Six months ended 30 June 2023 (unaudited)

	Property development <i>RMB'000</i>	Property investment <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
External segment revenue	<u>9,264,739</u>	<u>91,454</u>	<u>1,584,681</u>	<u>10,940,874</u>
Segment result	<u>(332,232)</u>	<u>36,455</u>	<u>(205,968)</u>	<u>(501,745)</u>
Other income, gains and losses, net				(1,021,686)
Loss on disposal of subsidiaries				(509,598)
Unallocated corporate expenses				(449,668)
Share of results of joint ventures				218,745
Share of results of associates				(12,938)
Finance costs				<u>(120,300)</u>
Profit before tax				<u>(2,397,190)</u>

##### Six months ended 30 June 2022 (unaudited)

	Property development <i>RMB'000</i>	Property investment <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
External segment revenue	<u>7,493,727</u>	<u>50,307</u>	<u>1,201,150</u>	<u>8,745,184</u>
Segment result	<u>(1,028,982)</u>	<u>(14,731)</u>	<u>(71,110)</u>	<u>(1,114,823)</u>
Other income, gains and losses, net				(1,267,850)
Loss on disposal of subsidiaries				(407,498)
Unallocated corporate expenses				(497,585)
Share of results of joint ventures				(303,907)
Share of results of associates				9,188
Finance costs				<u>(153,730)</u>
Loss before tax				<u>(3,736,205)</u>

## 5. OTHER INCOME, GAINS AND LOSSES, NET

	Six months ended	
	30.6.2023	30.6.2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Bank interest income	(25,002)	(32,118)
Government subsidy	(12,223)	(12,753)
(Gain)/loss on:		
– disposal of property, plant and equipment	(2,829)	3,353
– disposal of joint ventures	(120,455)	(202,047)
– disposal of associates	(938)	107,505
Investment return from financial assets at FVTPL	(3,202)	(2,414)
Exchange loss, net	1,238,756	1,535,847
Loss on change in fair value of financial assets at FVTPL	–	8,480
Impairment loss/(reversal of impairment loss) on:		
– trade and other receivables	39,983	(83,190)
– amounts due from joint ventures	7,696	–
– amounts due from non-controlling shareholders of subsidiaries	13,303	–
– assets classified as held for sale	224,665	–
Others	(22,160)	(72,984)
	<u>1,337,594</u>	<u>1,249,679</u>

## 6. INCOME TAX EXPENSE/(CREDIT)

	Six months ended	
	30.6.2023	30.6.2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Income tax expense/(credit) recognised comprises of:		
Current tax:		
PRC		
Enterprise Income Tax (“EIT”)	175,449	313,339
Land Appreciation Tax	373,655	(190,721)
Other jurisdictions	2,291	1,494
	<u>551,395</u>	<u>124,112</u>
Deferred tax:		
PRC	(49,861)	(338,237)
Other jurisdiction	(2,424)	(4,885)
	<u>(52,285)</u>	<u>(343,122)</u>
	<u>499,110</u>	<u>(219,010)</u>

Under the Law of the People's Republic of China of EIT (the "EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods, subject to certain preferential income tax policies.

Under the Provisional Regulations of the People's Republic of China on LAT (the "LAT Provisional Regulations") and Implementation Regulation of the LAT Provisional Regulations, the tax rate of the PRC subsidiaries is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including cost of land use rights and relevant property development expenditures.

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as there was no assessable profits derived from Hong Kong for both periods.

Under Australian tax law, the tax rate used for the period is 30% (six months ended 30 June 2022: 30%) on taxable profits on Australian incorporated entities. The Australian subsidiaries of the Company are considered as an income tax consolidated group and are taxed as a simple entity.

Under Canadian tax law, the tax rate used for the period is 26.5% (six months ended 30 June 2022: 26.5%) on taxable profits on Canadian incorporated entities.

Tax provision for Australian and Canadian profits tax has been made in the condensed consolidated financial statements for the periods ended 30 June 2023 and 30 June 2022 as there were assessable profits arises in both jurisdictions for both periods.

## 7. LOSS FOR THE PERIOD

	<b>Six months ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Loss for the period has been arrived at after charging/(crediting) the following items:		
Interest on:		
Bank and other borrowings	3,271,797	3,119,685
Senior notes and bonds	668,456	952,191
Amount due to a joint venture	9,000	9,000
Other payables	8,738	38,396
Lease liabilities	67,411	68,962
	<b>4,025,402</b>	<b>4,188,234</b>
Less: amounts capitalised to properties under development for sale	(3,905,102)	(4,012,075)
amounts capitalised to investment properties under construction	—	(22,429)
	<b>120,300</b>	<b>153,730</b>
Staff costs	392,519	842,063
Depreciation of property, plant and equipment	177,858	177,888
Depreciation of right-of-use assets	108,410	133,203
Amortisation of intangible assets (included in administrative expenses)	6,557	6,557

## 8. DIVIDENDS

The directors of the Company do not recommend or declare any payment of any dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: nil).

## 9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	<b>Six months ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Loss:</b>		
Loss for the purposes of basic loss per share, being loss for the period attributable to owners of the Company	<u><b>(2,944,918)</b></u>	<u><b>(2,920,649)</b></u>
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>'000</b>	<b>'000</b>
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u><b>2,965,571</b></u>	<u><b>2,965,571</b></u>

*Notes:*

For the purpose of computation of diluted loss per share of the Company for the six months period ended 30 June 2023 and 2022, the Company had taken into consideration the effects of the share options issued by the non-wholly-owned listed subsidiaries.

There are no potential dilutive events for the Company during both years.

The diluted loss per share of the Company for the six months period ended 30 June 2023 and 2022 are the same as the basic loss per share for the respective year.

## 10. TRADE AND OTHER RECEIVABLES

	<b>30.6.2023</b>	<b>31.12.2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Trade receivables	<b>1,211,940</b>	1,369,723
Less: Allowance for credit losses	<u><b>(442,928)</b></u>	<u>(521,768)</u>
	<b>769,012</b>	<b>847,955</b>
Rental receivables	<b>104,185</b>	106,681
Other receivables	<b>23,360,724</b>	23,545,542
Security deposits	<b>1,398,956</b>	1,626,143
Less: Allowance for credit losses	<u><b>(6,035,337)</b></u>	<u>(6,048,996)</u>
	<b>18,724,343</b>	<b>19,122,689</b>
Contract assets	<b>60,979</b>	97,789
Contract costs	<b>808,709</b>	861,149
Advance to constructors and suppliers	<b>3,490,252</b>	3,401,609
Deposits paid for potential purchases of land use rights and property projects	<b>4,491,780</b>	4,912,719
Other tax prepayments	<u><b>2,193,302</b></u>	<u>3,886,643</u>
	<u><b>30,642,562</b></u>	<u><b>33,237,234</b></u>

The following is an aging analysis of gross trade receivables, determined based on the date of the properties were delivered and sales were recognised and services were provided:

	<b>30.6.2023</b> <b>RMB'000</b> (unaudited)	31.12.2022 <b>RMB'000</b> (audited)
0–60 days	<b>313,785</b>	209,420
61–180 days	<b>116,098</b>	123,340
181–365 days	<b>113,190</b>	222,440
1–2 years	<b>551,821</b>	614,921
2–3 years	<b>86,248</b>	133,344
Over 3 years	<b>30,798</b>	66,258
	<b><u>1,211,940</u></b>	<b><u>1,369,723</u></b>

# 11. TRADE AND OTHER PAYABLES

	<b>30.6.2023</b> <b>RMB'000</b> (unaudited)	31.12.2022 <b>RMB'000</b> (audited)
Trade and bills payables	<b>20,333,574</b>	19,827,754
Other payables	<b>27,166,647</b>	23,505,472
Consideration payables for acquisition of subsidiaries	<b>1,420,095</b>	1,420,493
Other taxes payables	<b>6,187,681</b>	6,980,884
	<b><u>55,107,997</u></b>	<b><u>51,734,603</u></b>

The following is an aging analysis of trade and bill payables determined based on the invoice date:

	<b>30.6.2023</b> <b>RMB'000</b> (unaudited)	31.12.2022 <b>RMB'000</b> (audited)
0–60 days	<b>7,222,785</b>	6,175,361
61–180 days	<b>5,573,237</b>	9,803,077
181–365 days	<b>4,838,155</b>	1,788,539
1–2 years	<b>1,591,312</b>	1,010,969
2–3 years	<b>679,375</b>	663,287
Over 3 years	<b>428,710</b>	386,521
	<b><u>20,333,574</u></b>	<b><u>19,827,754</u></b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the Reporting Period, the Group continued to focus on stabilizing operations and debt restructuring, promoted the double-hundred actions of “100% resumption of work and 100% delivery (保復工保交樓)”, and took various measures to revitalise sales, while conducting orderly cost saving and the organizational restructure, in order to ensure the steady progress of operation. The Company is conducting the resumption work in an orderly manner in accordance with the resumption guidelines from The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), and all work is progressing smoothly.

In the first half of 2023, the Group realized contracted sales of property of approximately RMB7.48 billion with contracted GFA sold of approximately 819,000 sq.m.. Details of property contracted sales by region are as follow:

<b>Region</b>	<b>Property contracted sales amount (RMB billion)</b>	<b>Contracted GFA sold (’000 sq.m.)</b>
South China	2.84	279
Core Region of Central & Western China	1.69	199
East China	1.24	123
Bohai Rim	1.71	218
Total	7.48	819

As at 30 June 2023, the Group had 259 projects in landbank with a total GFA of approximately 28.22 million sq.m., and attributable GFA of approximately 23.13 million sq.m.; in addition, the Group had urban redevelopment projects with a planned total GFA of approximately 30.66 million sq.m. and a planned saleable GFA of approximately 13.29 million sq.m..

### FUTURE OUTLOOK

The real estate market is expected to be stable and the industry will eventually enter a new stage of stable and healthy development as the central government has set the adjustment and optimization to the real estate policies. In the future, the Group will continue to concentrate on the Guangdong-Hong Kong-Macao Greater Bay Area with focus on the nature of real estate, open up the source and regulate the flow, and improve the quality of products and services. The Group is committed to achieving sustainable and robust growth in a challenging environment and contributing value to shareholders, investors and the society.

## **FINANCIAL REVIEW**

### **Operating Results**

The revenue is primarily generated from property development. In the first half of 2023, the Group's total revenue was approximately RMB10,941 million, representing an increase of approximately RMB2,196 million or 25.1% over approximately RMB8,745 million in the same period of 2022. Property development revenue, other revenue such as hotel operation and property investment revenue accounted for 84.7%, 14.5% and 0.8% respectively.

In the first half of 2023, the Group's revenue generated from sales of properties amounted to approximately RMB9,265 million, representing an increase of approximately RMB1,771 million or 23.6% over approximately RMB7,494 million in the same period of 2022. The GFA of delivered properties increased by 4.5% to 1.15 million sq.m. from 1.10 million sq.m. in the same period of 2022.

### **Gross Profit and Margin**

In the first half of 2023, the gross profit of the Group was approximately RMB742 million, representing an increase of 373.1% from approximately RMB157 million in the same period of 2022. The Group's gross profit margin increased from 1.8% in the same period of 2022 to 6.8%.

### **Other Income, Gains and Losses**

In the first half of 2023, the Group's other income, gains and losses mainly included net exchange loss of approximately RMB1,239 million and other net losses of approximately RMB99 million.

### **Selling and Administrative Expenses**

In the first half of 2023, total selling and distribution expenses of the Group were approximately RMB495 million, representing a decrease of 28.0% from approximately RMB687 million in the same period of 2022. Due to the cost reduction effort, total administrative expenses decrease by 26.1% from approximately RMB1,193 million in the same period of 2022 to approximately RMB883 million.

### **Loss Attributable to Owners of the Company**

In the first half of 2023, loss attributable to owners of the Company was approximately RMB2,945 million, representing an increase of 0.8% from approximately RMB2,921 million in the same period of 2022.

### **Financial Position**

As at 30 June 2023, the Group's total assets amounted to approximately RMB221,821 million (31 December 2022: approximately RMB234,426 million) and total liabilities were approximately RMB242,353 million (31 December 2022: approximately RMB252,063 million).

Current ratio was 0.8 as at 30 June 2023 (31 December 2022: 0.9).

## Cash Position

As at 30 June 2023, the Group had cash and bank deposits of approximately RMB3,374 million (31 December 2022: approximately RMB5,110 million). As at 30 June 2023, the Group had restricted bank deposits of approximately RMB3,563 million (31 December 2022: approximately RMB4,231 million) which served as security deposits and mortgage guarantees or with restrictions imposed by judicial freeze and creditors.

As at 30 June 2023, cash and bank deposits and restricted bank deposits of the Group mentioned above totalled approximately RMB6,937 million, of which 85.2% was denominated in Renminbi and 14.8% was denominated in other currencies (mainly HK dollar, Australian dollar, Canadian dollar and US dollar).

## Borrowings, Senior Notes and Bonds

As at 30 June 2023, the Group had bank and other borrowings of approximately RMB74,471 million (31 December 2022: approximately RMB76,294 million) and senior notes and corporate bonds of approximately RMB34,401 million (31 December 2022: approximately RMB32,756 million) as follows:

Repayment Period	30 June 2023 (RMB million)	31 December 2022 (RMB million)
Repayment on demand or within one year	103,100	99,446
More than one year, but not exceeding two years	2,345	5,935
More than two years, but not exceeding five years	2,982	3,219
More than five years	445	450
	<u>108,872</u>	<u>109,050</u>

Part of the borrowings of the Group are floating-rate borrowings, of which interest rates are subject to negotiation on an annual basis, thus exposing the Group to cash flow interest rate risk. The Group has implemented certain interest rate management policies which included, among other, close monitoring of interest rate movements and replacing and entering into new banking facilities when good pricing opportunities arise.

## Contingent Liabilities

As at 30 June 2023, the Group had the following contingent liabilities relating to guarantees in respect of mortgage facilities provided by banks to purchasers and banking facilities granted to joint ventures and associates of the Group amounting to approximately RMB81,028 million (31 December 2022: approximately RMB95,373 million).

The Group acted as guarantor to the banks in respect of the bank's mortgage loans granted to certain property purchasers of the Group and agreed to repurchase the properties upon the purchasers' default on the repayment of the outstanding mortgage loans and the loan interests accrual thereon. The fair value of the financial guarantee contracts is not significant at the initial recognition, and no provision has been made as the default rate is low.



## **Commitments**

As at 30 June 2023, the Group's construction cost, contracted but not provided for amounted to approximately RMB15,169 million (31 December 2022: approximately RMB18,868 million). In addition, the Group's share of commitments relating to its joint ventures arising from construction cost contracted but not provided for is approximately RMB4,275 million (31 December 2022: RMB4,016 million).

The Group expects to fund these commitments principally from sale proceeds of properties.

## **Foreign Currency Risks**

Most of the Group's revenues and operating costs were denominated in Renminbi. Except for the bank deposits denominated in foreign currencies, senior notes denominated in US dollar and bank loans denominated in US dollar, HK dollar and Canadian dollar, the Group's operating cash flow or liquidity is not directly subject to any other significant exchange rate fluctuations. The management closely monitors foreign currency exposure and will consider hedging significant foreign currency exposure when needed.

## **Pledge of Assets**

As at 30 June 2023, the Group pledged its properties for sale, property, plant and equipment, investment properties, right-of-use assets and restricted bank deposits amounting to approximately RMB45,309 million (31 December 2022: approximately RMB45,321 million) to various banks to secure project loans and general banking facilities granted to the Group.

## **EVENTS AFTER REPORTING PERIOD**

### **Disposal of 29.9% of the issued share capital of Aoyuan Healthy**

On 16 February 2023, Main Trend Limited ("Main Trend"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the "Agreement") with Best Discovery International Limited ("Best Discovery"), an independent third party, pursuant to which Main Trend conditionally agreed to sell, and Best Discovery conditionally agreed to purchase, 29.9% of the issued share capital of Aoyuan Healthy at the consideration of HK\$256,000,000 (equivalent to approximately RMB224,168,000).

All the conditions precedent under the Agreement have been fulfilled and completion took place on 17 July 2023. Best Discovery and the Group hold 29.9% and 24.68% of the entire issued share capital of Aoyuan Healthy respectively, and therefore Best Discovery becomes the single largest shareholder of Aoyuan Healthy, and the Group ceased to be the controlling shareholder of Aoyuan Healthy but shall remain as substantial shareholder of Aoyuan Healthy. Aoyuan Healthy and its subsidiaries ceased to be accounted for as subsidiaries of the Group by virtue of the completion.

## **Progress of the Offshore Debt Restructuring**

The Company and its advisors have been engaged in active discussions with certain major offshore creditors to implement a holistic financial restructuring that would provide the Group with a sustainable capital structure to deliver long term value for all of its stakeholders. The Company agreed the key commercial terms of the offshore holistic debt restructuring plan (the “Holistic Restructuring”) with the ad-hoc group comprising holders of certain offshore senior notes issued by the Company (representing approximately 33.41% of the outstanding principal amount of certain offshore senior notes issued by the Company (the “Aoyuan Existing Notes”)) (the “AHG”) on 30 June 2023. Further to the agreement of key commercial terms of the Holistic Restructuring with the AHG, the Company announced the terms of the restructuring support agreement (“RSA”) on 11 July 2023. As at the date of the Company’s announcement on 10 August 2023, holders of 75.89% of the outstanding principal amount of the Aoyuan Existing Notes have either duly executed or acceded to the RSA. The Company is very encouraged by and grateful for the strong support it has received to date. In light of the requests of the creditors, the Company has decided to extend the RSA Fee Deadline (as defined in the RSA) to 5 p.m. Hong Kong time on 31 August 2023 in order to allow more creditors to avail themselves of the benefit of the RSA Fee (as defined in the RSA). The Company will be grateful if the remaining holders of the Group Financing Instruments (as defined in the RSA) consider the terms of the RSA and enter into the same with the Company as soon as possible. Details of how to accede to the RSA are set out in the Company’s announcement dated 10 August 2023.

Once implemented, the Holistic Restructuring will provide the Group with a sustainable capital structure, allowing the Company to focus on its daily operations with a view to enhance stakeholder value.

The Company continues to engage in constructive discussions with all relevant stakeholders with the assistance of KPMG.

Offshore creditors of the Company are encouraged to contact the following representative to facilitate the Company’s efforts to implement a potential restructuring plan:

### **KPMG Advisory (China) Limited**

Address: 8/F, Prince’s Building, 10 Chater Road, Hong Kong

Email: aoyuan.restructuring@kpmg.com

## **INTERIM DIVIDEND**

The Board has resolved not to declare interim dividend for the six months ended 30 June 2023 (for the six months ended 30 June 2022: Nil).

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2023.

## **COMPLIANCE WITH RULES 3.10(1) AND 3.21 OF THE LISTING RULES**

Reference is made to the announcement of the Company dated 20 January 2023. Following the resignation of Mr. Tsui King Fai as independent non-executive Director, the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company on 20 January 2023, the number of independent non-executive Directors and members of the Audit Committee fell below the requirements under Rules 3.10(1) and 3.21 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) respectively. As announced by the Company on 24 February 2023, Mr. Wong Wai Keung Frederick was appointed as an independent non-executive director, a member of the Audit Committee, a member of the Remuneration Committee, and a member of the Nomination Committee of the Company with effect from 24 February 2023 (“Mr. Wong’s Appointment”). Following Mr. Wong’s Appointment, the current number of independent non-executive Directors complies with Rule 3.10(1) of the Listing Rules. The Company also fulfils the requirement of having a minimum of three members in the Audit Committee under Rule 3.21 of the Listing Rules.

## **CORPORATE GOVERNANCE CODE**

The Board recognises the importance of maintaining a high standard of corporate governance to protect and enhance the benefits of shareholders and has applied the principles of the code provisions of the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules. For the six months ended 30 June 2023, the Company has complied with the code provisions of the CG Code.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 of the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiry of all the directors of the Company, all the directors confirmed that they have complied with the required standard of dealings set out in the Model Code throughout the six months ended 30 June 2023.

## **EMPLOYMENT AND REMUNERATION POLICY**

As of 30 June 2023, the Group had about 7,583 employees (31 December 2022: 9,002). The Group regularly reviews remuneration and benefits of its employees according to the relevant market practice and individual performance of the employees. Pursuant to relevant laws and regulations, the Group provides contributions to social insurance of China and contribution to the Mandatory Provident Fund Scheme of Hong Kong for eligible employees. The Group also provides employees in China with medical insurance, individual work injury insurance, maternity insurance and unemployment insurance.

## AUDIT COMMITTEE

The audit committee of the Company, comprising Mr. Cheung Kwok Keung as chairman, Mr. Lee Thomas Kang Bor and Mr. Wong Wai Keung Frederick as members, has reviewed, together with the participation of the management, the accounting principles and practices adopted by the Group and discussed accounting and financial reporting matters including the review of the unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2023.

## PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.aoyuan.com.cn>). The interim report of the Company for the six months ended 30 June 2023 containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

## CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Friday, 1 April 2022 and will continue to be suspended until further notice.

By order of the Board  
**China Aoyuan Group Limited**  
**Guo Zi Wen**  
*Chairman*

Hong Kong, 30 August 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Ma Jun, Mr. Chen Zhi Bin and Mr. Tan Yi; and the independent non-executive directors of the Company are Mr. Cheung Kwok Keung, Mr. Lee Thomas Kang Bor and Mr. Wong Wai Keung Frederick.*

**APPENDIX 15**  
**ESTIMATED RESTRUCTURING COSTS AND EXPENSES**

<b>Professional Parties</b>	<b>Estimated fees and disbursements for China Aoyuan Schemes and Add Hero Schemes (in USD)</b>
Company's legal advisers and counsel <ul style="list-style-type: none"> <li>• Linklaters</li> <li>• Harney Westwood &amp; Riegels</li> <li>• ETR Law Firm</li> <li>• McCarthy Tétrault</li> <li>• Tom Smith KC</li> <li>• Peter Burgess</li> <li>• Rabin Kok</li> <li>• William Wong SC</li> <li>• Look Chan Ho</li> </ul>	16,000,000
Company's financial advisers <ul style="list-style-type: none"> <li>• KPMG Advisory (China) Limited</li> <li>• Deloitte Advisory (Hong Kong) Limited</li> <li>• Admiralty Harbour Capital Limited</li> </ul>	11,700,000
Morrow Sodali Limited (as the Information Agent)	1,915,000
Fees of agents, trustees, registrars and other administrative parties: <ul style="list-style-type: none"> <li>• DB Trustees (Hong Kong) Limited as Existing Public Notes Trustee and Existing Common Collateral Agent</li> <li>• China Construction Bank (Asia) Corporation Limited as the Agent and/or Fiscal Agent under certain of the Existing Debt Finance Documents</li> <li>• Madison Pacific Trust Limited as Aoyuan New Securities Administrative Parties, Add Hero Notes Administrative Parties, Holding Period Trustee and Blocked Scheme Creditor Tabulation Agent</li> <li>• Conv-Ex Advisors Limited as Aoyuan MCB Calculation Agent</li> </ul>	1,270,000
Other fees and expenses for the purposes of the China Aoyuan Schemes and Add Hero Schemes, including: <ul style="list-style-type: none"> <li>• Liquidation Analysis</li> <li>• Alvarez &amp; Marsal as Scheme Administrator</li> <li>• Law Debenture as process agent</li> <li>• Listing costs</li> <li>• Other fees and expenses</li> </ul>	1,210,000
<b>Total</b>	<b>32,095,000</b>