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SHANDONG SANXING GROUP COMPANY LTD.

山東三星集團有限公司

(Incorporated with limited liability in the People's Republic of China)

OFFER TO EXCHANGE RELATING TO THE OUTSTANDING 7.99% SENIOR NOTES DUE 2021 (the “Existing Notes”)

Introduction

On January 23, 2018, Knight Castle Investments Limited (爵堡投資有限公司), a BVI business company with limited liability and a wholly owned subsidiary of Shandong Sanxing Group Company Ltd. (the “Company”) issued the Existing Notes in an aggregate principal amount of US\$200,000,000 at 7.99% per annum, payable semi-annually in arrears, which will be due in 2021. The Existing Notes are listed on the SGX-ST. The ISIN and Common Code are XS1733826181 and 173382618, respectively, for the Existing Notes. As of the date of this announcement, US\$200,000,000 in aggregate principal amount of the Existing Notes is outstanding.

On the date of this announcement, the Company commenced the offer to exchange (the “Exchange Offer”) for at least US\$180,000,000, or 90%, of the outstanding principal amount of the Existing Notes (the “Minimum Acceptance Amount”) upon the terms and subject to the conditions set forth in the exchange offer memorandum dated December 2, 2020 (including any and all exhibits and appendices thereto) (the “Exchange Offer Memorandum”). If the Exchange Offer is not successfully consummated, the Company may consider launching a scheme of arrangement in the BVI pursuant to section 179A of the Business Companies Act 2004 (the “Scheme”) to effect a restructuring of the Existing Notes on terms substantially similar to the Exchange Offer, as contemplated in the term sheet set forth in Appendix B to the Exchange Offer Memorandum. To facilitate the approval of the Scheme, each Eligible Holder tendering in the Exchange Offer who is supportive of the restructuring plan will also need to execute (in the case such Eligible Holder is a beneficial owner of the Existing Notes), or cause the beneficial owners on whose behalf such Eligible Holder is holding the Existing Notes

to execute (in the case such Eligible Holder is not a beneficial owner for all of the Existing Notes it holds), a Restructuring Support Agreement (the “RSA”) (specifically an accession to the RSA pursuant to the terms thereof), the form of which is set forth in Appendix B to the Exchange Offer Memorandum.

The Exchange Offer or the Scheme, once consummated, will improve the Company’s financial condition, extend its debt maturity profile, strengthen its balance sheet and improve its cash flow management.

For further details, please refer to “The Exchange Offer” below.

Background and Purpose of the Exchange Offer and the Scheme

The Company estimates that its existing internal resources may be insufficient to repay the Existing Notes. The U.S.– China trade war and the COVID-19 pandemic have negatively impacted the Company’s financial condition and results of business operations. For example, its net cash flow from operating activities decreased significantly by 72% from RMB793.7 million for the nine months ended September 30, 2019 to RMB219.1 million for the nine months ended September 30, 2020, primarily attributable to a decrease in cash received from sales of goods because the COVID-19 pandemic had disrupted the supply chains of its corn oil manufacturing business and lightweight aluminum alloy business, causing delay in scheduled delivery and a decrease in sales of its products in these businesses.

The Company’s overall indebtedness has been relatively stable, but it has a concentrated debt maturity profile. The Company’s current indebtedness increased from RMB3,704.4 million as of December 31, 2019 to RMB5,022.5 million as of September 30, 2020 and the ratio of its current to total indebtedness increased from 54.7% as of December 31, 2019 to 63.5% as of September 30, 2020. The Company expects an aggregate amount of RMB3,346 million of its current indebtedness to become due between September 2020 and January 2021. The challenging market conditions caused by the COVID-19 pandemic have also reduced the amount of financing available to the Company to refinance its debt.

In light of the above, the Company is conducting this Exchange Offer as part of its overall strategy to improve its financial condition, extend its debt maturity profile, strengthen its balance sheet and improve its cash flow management. The Company is offering Eligible Holders of its Existing Notes the opportunity to, among other things, exchange their Existing Notes for New Notes with an extended maturity and terms designed to allow the Company to improve its financial condition and give it necessary financial stability to continue as a going concern.

If the Exchange Offer is not successfully completed, the Company may not be able to repay the Existing Notes upon maturity in January 2021. In such case, the Company may, in lieu of the Exchange Offer, seek to complete the Scheme in the BVI to effect a restructuring of the Existing Notes pursuant to the terms of the RSA, the form of which is set forth in Appendix B to the Exchange Offer Memorandum, which each tendering Eligible Holder would have executed (in the case such Eligible Holder is a beneficial owner of the Existing Notes), or caused the beneficial owners on whose behalf such Eligible Holder is holding the Existing Notes to execute (in the case such Holder is not a beneficial owner for all of the Existing Notes it holds), if in its judgment there is sufficient support from Eligible Holders for the Scheme.

The Company believes that preserving this flexibility to implement its restructuring plan by two different methods increases the likelihood that the Company's restructuring efforts will ultimately meet with success. If a sufficient principal amount of Existing Notes is tendered in the Exchange Offer, the Company intends to complete the Exchange Offer, allowing the restructuring to be completed in a relatively short time frame by means of the Exchange Offer. If a sufficient principal amount of Existing Notes is not tendered in the Exchange Offer, but there is sufficient noteholder support such that the Scheme of Arrangement seems likely to be successful, the Company may seek to complete the Scheme in the BVI to effect a restructuring of the Existing Notes on terms substantially similar to the Exchange Offer.

The Exchange Offer

The Exchange Offer for the Existing Notes commenced on December 2, 2020 and will expire at 4:00 p.m., London time, on December 17, 2020 (the "Expiration Deadline"), unless otherwise extended or earlier terminated by the Company. An appropriate announcement will be made if and when the applicable Expiration Deadline is extended or earlier terminated.

Subject to the terms and conditions set forth in the Exchange Offer Memorandum, the Company is offering to exchange at least the Minimum Acceptance Amount of the Company's outstanding Existing Notes held by Eligible Holders for the Exchange Consideration and (as applicable) the Instruction Fee. See "Exchange Consideration and Instruction Fee" below. As of the date of this announcement, US\$200,000,000 in aggregate principal amount of the Existing Notes is outstanding.

Any tendering Eligible Holder must tender its entire holding of Existing Notes for exchange. The Company reserves its right not to accept any partial tender of Existing Notes by any Eligible Holders. With respect to any tendered Existing Notes, the tender by its Holder will not be considered valid unless and until the beneficial owner of such Existing Holders has also validly executed the RSA (specifically an accession to the RSA pursuant to the terms thereof) and delivered it to the Information, Exchange and Tabulation Agent. See "The Restructuring Support Agreement" below.

Eligible Holders of the Existing Notes validly accepted and exchanged in the Exchange Offer will, from and including the Settlement Date, waive any and all rights with respect to the Existing Notes (other than the right to receive the Exchange Consideration) and will release and discharge the Company from any and all claims such holders may have, now or in the future, arising out of or related to such Existing Notes, including any and all accrued and unpaid interest thereon.

Restructuring Support Agreement

To facilitate the implementation of a restructuring of the Existing Notes, the Company may, in addition to the Exchange Offer, consider launching the Scheme to effect a restructuring of the Existing Notes on terms substantially similar to the Exchange Offer (the "Scheme Restructuring"), as contemplated in the term sheet set forth in Appendix B to the Exchange Offer Memorandum (the "Term Sheet"). To facilitate the approval of the Scheme, the Company is requiring, as a condition to participate in the Exchange Offer, each Eligible Holder tendering in the Exchange Offer to also execute (in the case such Eligible Holder is a

beneficial owner of the Existing Notes), or cause the beneficial owners on whose behalf such Eligible Holder is holding the Existing Notes to execute (in the case such Eligible Holder is not a beneficial owner for all of the Existing Notes it holds), the RSA (specifically an accession to the RSA pursuant to the terms thereof).

An Eligible Holder of Existing Notes who wishes to participate in the Exchange Offer must (i) tender the Existing Notes it holds for exchange, and (ii) validly execute (or cause relevant beneficial owners to validly execute) the RSA (specifically an accession to RSA pursuant to the terms thereof), each with respect to the entire holding of Existing Notes and in accordance with the terms, and subject to the conditions, of the Exchange Offer.

Eligible Holders of Existing Notes who tender their Existing Notes and execute the RSA (specifically an accession to RSA pursuant to the terms thereof) will continue to be bound by the terms of the RSA if the Exchange Offer is terminated, unless and until the RSA is terminated.

Summary of Key Terms in RSA

This is a summary only, please see the RSA for further details. Any capitalized terms shall have the meaning given to them in the RSA unless otherwise stated in this announcement.

Under the terms of the RSA, among other things:

1. the Company undertakes to:
 - (i) pay or procure payment of the Instruction Fee (see below);
 - (ii) implement the Scheme Restructuring and the Scheme in the manner envisaged by, and substantially on the terms and conditions set out in, the RSA and the Term Sheet; and
 - (iii) use reasonable endeavors to procure that the Scheme Effective Date occurs and the Scheme Restructuring is fully implemented on or before the Longstop Date; and
2. each Consenting Creditor undertakes to:
 - (i) tender all of its Existing Notices in favor of the Exchange Offer;
 - (ii) vote all of the Existing Notes in which it holds a beneficial interest as principal in favor of the Scheme necessary for implementing the Scheme Restructuring;
 - (iii) not take, commence or continue any enforcement action, or delay the Scheme Effective Date, or interfere with the implementation of the Scheme and the Scheme Restructuring and provide reasonable support and assistance to the Company to prevent the occurrence of an insolvency proceeding in respect of the Company or any of its subsidiaries;

- (iv) not to object to the Scheme or any application to the BVI court in respect thereof and not take any other actions inconsistent with, or that would, or are intended to, or would likely delay the approval or confirmation of the Scheme Restructuring; and
- (v) notify the Information, Exchange and Tabulation Agent of any purported change (whether an increase or decrease) to its holdings of Restricted Notes within 5 Business Days of such change by submitting a Transfer Notice to the Information, Exchange and Tabulation Agent.

The Instruction Fee will be paid on the Scheme Effective Date (or as soon as practicable thereafter) to:

1. each Consenting Creditor who validly held Eligible Restricted Notes as of the Instruction Fee Deadline (being 4:00pm London time on December 17, 2020) and still holds such Eligible Restricted Notes as at the Scheme Record Date; and
2. each Consenting Creditor who is the transferee (pursuant to a valid Transfer) of Eligible Restricted Notes and holds such Eligible Restricted Notes at the Scheme Record Date,

in each case provided such Consenting Creditor has complied with the terms of the RSA (unless waived) which requires, among other things: (i) all Notes held by such Consenting Creditor to have been tendered in favor of the Exchange Offer (by the Consenting Creditor or the transferor); and (ii) all Notes held by such Consenting Creditor voted in favor of the Scheme at the Scheme Meeting.

The Instruction Fee will be payable in an amount equal to 1.0% of the Eligible Restricted Notes held.

A Transfer is valid and effective (and so the transferee of Eligible Restricted Notes is entitled to an Instruction Fee subject to the terms of the RSA being complied with), if the transferee accedes to the RSA (by submitting an Accession Deed) as a Consenting Creditor and a Transfer Notice is submitted to the Information, Exchange and Tabulation Agent (having been executed by both the transferee and the transferor).

The Information, Exchange and Tabulation Agent's determination as to entitlement to the Instruction Fee is final.

Exchange Consideration and Instruction Fee

For each US\$1,000 principal amount of the outstanding Existing Notes that is validly tendered by or prior to the Expiration Deadline and accepted for exchange, an Eligible Holder of such Existing Notes will receive the Exchange Consideration consisting of: (a) US\$150 in cash (“Cash Consideration”); (b) US\$850 in aggregate principal amount of the New Notes; (c) Accrued Interest in cash (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards); and (d) subject to the requirement that any New Notes issued to any Eligible Holder be in a minimum principal amount of US\$170,000 and integral multiples of US\$1,000 in excess thereof, in the event that such Eligible Holder is entitled to receive any New Notes that is not an integral multiple of US\$1,000, cash (rounded to the nearest US\$0.01, with US\$0.005 rounded upwards) in lieu of any fractional amount of the New Notes equal to the principal amount of the New Notes not issued (after rounding downward the amount of the New Notes to the nearest multiple of US\$1,000).

Where the Exchange Offer is Consummated

In addition to the Exchange Consideration, an Eligible Holder of Existing Notes who participates in the Exchange Offer will also be entitled to receive, upon the successful consummation of the Exchange Offer, an additional fee of US\$10 in cash for each US\$1,000 principal amount of the outstanding Existing Notes (the “Instruction Fee”) that is validly tendered by or prior to the Expiration Deadline and accepted for exchange if it (i) tenders the Existing Notes it holds for exchange, and (ii) validly executes (or cause relevant beneficial owners to validly execute) the RSA (specifically an accession to the RSA pursuant to the terms thereof), each with respect to its entire holding of Existing Notes and in accordance with the terms, and subject to the conditions, of the Exchange Offer.

Where the Exchange Offer is Not Consummated and the Scheme is Launched and Consummated

Subject to the terms of the RSA, an Instruction Fee of 1.0% will be paid on Existing Notes tendered in the Exchange Offer and restricted in the RSA on or before the Instruction Fee Deadline, provided that a Consenting Creditor acceded those notes to the RSA on or before the Instruction Fee Deadline (or acquired by valid Transfer from a Consenting Creditor who acceded those notes to the RSA on or before the Instruction Fee Deadline). For further details, please refer to “Restructuring Support Agreement – Summary of Key Terms in RSA” above.

Approval in-principle has been received from the SGX-ST for the listing and quotation of the New Notes on the 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 the listing and quotation of the New Notes on the SGX-ST is not to be taken as an indication of the merits of the Exchange Offer, the Company, the Issuer, the Subsidiary Guarantors, the Personal Guarantors or any of their respective subsidiaries or associated companies, the New Notes or the Guarantees.

Minimum Acceptance Amount

The minimum aggregate principal amount of the Existing Notes, being US\$180,000,000, or 90%, of the outstanding principal amount of the Existing Notes, for which valid tenders are received and that the Company will determine, in its sole discretion, whether it will accept for exchange pursuant to the Exchange Offer. If the Minimum Acceptance Amount is not satisfied, the Company may, in lieu of the Exchange Offer, seek to complete the Scheme in the BVI to effect a restructuring of the Existing Notes pursuant to the terms of the RSA.

Available Financial Resources to Repay New Notes

Cash flow from operating activities

For the year ended December 31, 2017, 2018, 2019 and the nine months ended September 30, 2020, the Company's total revenue amounted to approximately RMB12,075.8 million, RMB11,855.2 million, RMB11,782.9 million, and RMB8,670.5 million, respectively. The Company recorded net profit of RMB568.2 million, RMB463.3 million, RMB483.7 million, and RMB383.7 million, respectively, and generated net cash inflow from operating activities of RMB890.8 million, RMB829.7 million, RMB1,519.2 million and RMB219.1 million, respectively, for the year ended December 31, 2017, 2018, 2019 and the nine months ended September 30, 2020. The Company expects that its cash flow from operating activities will return to normal after market demands and the financial conditions of its customers recover from the impact of the COVID-19 pandemic. The Company's stable operation and steady cash flow will provide strong support for the repayment of the New Notes.

Non-core assets available for sale

The Company may consider sales of its non-core assets, such as its textile business, to repay the New Notes. As of the date of this announcement, the Company has not entered into any binding agreement with any partners or investors. The Company will continue to look for any opportunities, including sales of its non-core assets, to improve its profitability and return on capital.

Debt refinancing

The Company can improve its financial condition if the Exchange Offer with respect to its Existing Notes is successfully consummated. As the market conditions gradually recover from the impact of the COVID-19 pandemic, the Company expects to be able to obtain additional financing and improve its cash flow management through capital markets transaction both on- and offshore. The Company will actively look for potential investors for future debt financing opportunities.

Strategic Investors

In addition, the Company continues to seek business partners and strategic investors who are willing to invest in and grow with it. As of the date of this announcement, the Company has not entered into any binding agreement with any partners or strategic investors. The Company will continue to look for any opportunities that it considers will enhance its credit profile, strengthen its balance sheet, and bring in business synergies as well as financial resources.

Summary Timetable

The following summarizes the anticipated timetable for the Exchange Offer.

| Date | Event |
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| December 2, 2020 | Commencement of the Exchange Offer and announcement via the SGX-ST, the Transaction Website and through Euroclear or Clearstream, as applicable. Exchange Offer Memorandum and the RSA in the form set forth in Appendix B to the Exchange Offer Memorandum will be made available to Eligible Holders of the Existing Notes on Transaction Website. |
| December 17, 2020 (4:00 p.m., London time) | Instruction Fee Deadline. Expiration Deadline. This being the last date and time on which Eligible Holders of the Existing Notes who validly tender Existing Notes are eligible to receive the relevant Exchange Consideration, as this is the last date and time for Eligible Holders of the Existing Notes to participate in the Exchange Offer. |
| As soon as practicable after the Expiration Deadline | Announcement of the amount of tenders for exchange received by or prior to the Expiration Deadline, and the final total aggregate principal amount of the New Notes to be issued to Eligible Holders in exchange for the Existing Notes validly tendered, accepted and exchanged. The Information, Exchange and Tabulation Agent will also inform the Company on the beneficial owners who have executed the RSA. |
| On or about December 23, 2020 | Subject to satisfaction of the conditions as set forth in the Exchange Offer Memorandum, settlement of the New Notes, delivery of the Exchange Consideration and (as applicable) the Instruction Fee to Eligible Holders whose Existing Notes have been validly tendered and accepted for exchange. |
| On or about December 24, 2020 | Listing of the New Notes on the SGX-ST. |

Conditions to the Exchange Offer

Our obligation to consummate the Exchange Offer is conditional upon the following:

1. there being no material adverse change in the market from the date of the Exchange Offer Memorandum to the Settlement Date;
2. an affirmative determination by us that accepting the exchanges, paying the Exchange Consideration and effecting the transactions contemplated hereby are in the Company's best interests; and
3. the satisfaction of the other conditions as set forth in the Exchange Offer Memorandum.

Subject to applicable law, the Company may terminate or withdraw the Exchange Offer if any of the conditions are not satisfied or waived by it by the Settlement Date. The Company may also extend the Exchange Offer from time to time until the conditions are satisfied or waived. Although the Company has no present plans or arrangements to do so, it reserves the right to amend, modify or waive, at any time, the terms and conditions of the Exchange Offer, subject to applicable law. The Company will give you notice of any amendments, modifications or waivers as and if required by applicable law.

Further Details

The Company has appointed Admiralty Harbour Capital Limited as the Dealer Manager, and D.F. King Ltd. as Information, Exchange and Tabulation Agent with respect to the Exchange Offer (each as stipulated in the Exchange Offer Memorandum and its related documents). The Exchange Offer Memorandum, this announcement and all documents related to the Exchange Offer and the Scheme can be found on the Transaction Website: <https://sites.dfkingltd.com/sanxing>. Requests for copies of the Exchange Offer Memorandum and its related documents may be directed to the Information, Exchange and Tabulation Agent at the address and telephone number as set forth in the Exchange Offer Memorandum. The contact information of Admiralty Harbour Capital Limited and D.F. King Ltd. is set out as follows:

Admiralty Harbour Capital Limited

Suite 1702, Prosperity Tower 39 Queen's Road Central, Hong Kong

Attention: Capital Markets and Advisory

Email: sanxing@ahfghk.com

D.F. King Ltd.

Telephone: (in London) +44 20 7920 9700 and (in Hong Kong) +852 3953 7208

Email: sanxing@dfkingltd.com

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

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

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

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

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Exchange Offer, are based on current expectations, assumptions, estimates and projections about the Company and its industry. These statements are not guarantees of future performance and that the Company's actual results of operations, financial condition and liquidity, and the development of the industry in which the Company operates may differ materially from those made in, or suggested by, the forward-looking statements in this announcement. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Important factors that could cause those differences include, but are not limited to, changes in the competitive environment and regulatory environment of the industry in the PRC relevant to the business of the Company, changes in the business and financial condition of the Company and its subsidiaries and changes in the general economic trend in the PRC.

DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following respective meanings or shall have the meanings given to them in the Exchange Offer Memorandum or RSA as applicable:

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| “Board” | the board of Directors of the Company; |
| “Clearstream” | Clearstream Banking S.A.; |
| “Company” | Shandong Sanxing Group Company Ltd. (山東三星集團有限公司); |
| “Consenting Creditor” | a person holding a beneficial interest as principal in the Existing Notes who has agreed to be bound by the terms of the RSA; |
| “Director(s)” | the director(s) of the Company; |
| “Eligible Holders” | holders who are non-U.S. persons (as those terms are defined under Regulation S) located outside the United States and hold the Existing Notes through Euroclear or Clearstream, or certain fiduciaries holding accounts for the benefit of non-U.S. persons (as those terms are defined under Regulation S) outside the United States and holding the Existing Notes through Euroclear or Clearstream; |
| “Eligible Restricted Note” | a Restricted Note which was made subject to the RSA by a Consenting Creditor on or prior to the Instruction Fee Deadline; |
| “Euroclear” | Euroclear Bank SA/NV; |
| “Exchange Offer” | the offer made by the Company upon the terms and subject to the conditions set forth in the Exchange Offer Memorandum; |

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| “Exchange Offer Memorandum” | the exchange offer memorandum dated December 2, 2020 in relation to the Exchange Offer; |
| “Existing Notes” | the 7.99% senior notes due 2021 issued by Knight Castle Investments Limited, a wholly owned subsidiary of the Company; |
| “Existing Notes Indenture” | the indenture dated as of January 23, 2018 in relation to the Existing Notes; |
| “Holder” | the holder of the Existing Notes; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC; |
| “Instruction Fee Deadline” | 4:00 pm London time on the date that is 15 calendar days from the date of the public announcement of the RSA by the Company, or such later date and time as the Company may elect in accordance with the terms of the RSA; |
| “Longstop Date” | June 1, 2021 or such later date and time as the Company may, at any time before May 1, 2021, elect to extend provided that such later date shall be a date no later than September 1, 2021; |
| “New Notes” | the U.S. dollar denominated senior notes due on the date which is the second anniversary date of the Original Issue Date issued by Blissful Future Global Limited; |
| “New Notes Indenture” | the indenture to be entered into in relation to the New Notes; |
| “Original Issue Date” | the date on which the New Notes are issued under the New Notes Indenture; |
| “Personal Guarantors” | Mr. Wang Mingfeng, Mr. Wang Mingxing and Mr. Wang Mingliang; |
| “PRC” | the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan; |
| “Regulation S” | Regulation S under the U.S. Securities Act; |

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| “Restricted Notes” | with respect to a Consenting Creditor at any time, the aggregate outstanding principal amount of Existing Notes set out in an Accession Deed to the RSA and held by such Consenting Creditor, as modified from time to time by any Transfer Notices (as applicable) delivered by Consenting Creditors to the Information, Exchange and Tabulation Agent in accordance with the terms of the RSA, and “Restricted Note” means any portion of the Restricted Notes; |
| “Scheme Effective Date” | the date on which the sealed copy of the order of the BVI court is filed with the BVI Register of Corporate Affairs; |
| “Scheme Record Date” | the time designated by the Company for the determination of the Scheme Creditor’s claim for the purposes of voting at the Scheme Meeting; |
| “Settlement Date” | on or about December 23, 2020, unless the Exchange Offer is extended or earlier terminated; |
| “SGX-ST” | Singapore Exchange Securities Trading Limited; |
| “U.S.” or “United States” | The United States of America; |
| “U.S. Securities Act” | the United States Securities Act of 1933, as amended; |
| “US\$” | United States dollars, the lawful currency of the United States; and |
| “%” | per cent. |

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

Hong Kong, December 2, 2020

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