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MUNSUN 麥盛

Munsun Capital Group Limited

麥盛資本集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1194)

PROPOSED AMENDMENT OF TERMS AND CONDITIONS AND TRUST DEED OF HK\$1,028,000,000 7.25% CONVERTIBLE BONDS DUE 2018

SPECIFIC MANDATE TO ISSUE NEW SHARES AND NOTICE OF SPECIAL GENERAL MEETING

A notice convening the SGM to be held at Meeting Room C, 5th Floor, World-Wide House, 19 Des Voeux Road, Central, Hong Kong on Wednesday, 31 January 2018 at 11:00 a.m. is set forth in the Appendix to this circular. A form of proxy for use at the SGM is enclosed with this circular.

Whether or not you are able to attend the SGM of the Company, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

15 January 2018

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DEFINITIONS

In this circular, the following terms and expressions have the following meanings unless the context requires otherwise:

“2016 Consent Solicitation”	the consent solicitation in relation to the amendments to the Bonds as referred to in the 2016 Consent Solicitation Announcements and completed on 16 March 2016
“2016 Consent Solicitation Announcements”	the announcements by the Company dated 21 December 2015, 23 December 2015, 7 January 2016, 9 January 2016, 19 January 2016, 25 January 2016, 28 January 2016, 4 February 2016, 23 February 2016, and 16 March 2016 in relation to the meeting of Bondholders and consent solicitation in relation to the Bonds in 2016
“Accrued Interest”	interest accrued in accordance with the Terms and Conditions from, and including, the last Interest Payment Date to, but excluding 4 February 2018
“Amended Terms and Conditions”	the amended Terms and Conditions as reflected in the Second Supplemental Trust Deed upon the implementation of the New Proposals
“Authorised Denominations”	the denomination of HK\$1,000,000 in nominal amount each and integral multiples thereof in registered form of the Bonds
“Board”	the board of Directors
“Bond Announcement”	the announcement by the Company dated 28 January 2013 in relation to the issue of the Bonds
“Bonds”	HK\$1,028,000,000 7.25% Convertible Bonds issued by the Company on 4 February 2013 as constituted by the Trust Deed and to be amended by the Second Supplemental Trust Deed, of which HK\$376,255,804.17 remain outstanding
“Bondholders”	Holders of the Bonds as at the date hereof
“Closing Price”	for the Shares for any Trading Day shall be the price published in the daily quotation sheet published by the Hong Kong Stock Exchange for such day
“Company”	Munsun Capital Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, and the ordinary shares of which are listed on the Main Board of the Hong Kong Stock Exchange
“Consent Solicitation Agent”	Daiwa Capital Markets Hong Kong Limited

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“Consent Solicitation Announcement”	the announcement by the Company dated 21 December 2017 in respect of the New Proposals
“Control”	(a) the acquisition or holding of legal or beneficial ownership or control of more than 50% of the voting rights of the issued share capital of the Company, or (b) the right to appoint and/or remove all or the majority of the members of the Board or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Conversion Period”	the period during which each Bondholder is entitled to exercise his/her Conversion Right
“Conversion Price”	HK\$0.0618 per Share, subject to adjustments
“Conversion Right”	the right of each Bondholder to convert such Bonds into Shares as provided in the Terms and Conditions
“Conversion Shares”	the Shares to be issued on conversion of the Bonds
“Current Market Price”	the average of the daily VWAP of one Share on each of the 20 consecutive Trading Days ending on and including the Trading Day immediately preceding such date; provided that if at any time during such 20 Trading Day period the VWAP shall have been based on a price ex-Dividend (or ex-any other entitlement) and during some other part of that period the VWAP shall have been based on a price cum-Dividend
“Director(s)”	directors of the Company or any one of them
“First Supplemental Trust Deed”	the supplemental trust deed amending the Trust Deed entered into between the Company and the Trustee on 4 February 2016
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

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“Independent Investment Bank”	an independent investment bank of international repute (acting as an expert) selected by the Company and notified in writing to the Trustee. If the Company fails to select an Independent Investment Bank when required by the Conditions, the Trustee may (at its absolute discretion) but it shall not be obliged to select the Independent Investment Bank
“Interest Payment Date”	4 February and 4 August each year
“Latest Practicable Date”	8 January 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Maturity Date”	4 August 2019
“New Proposals”	the proposed amendments to the existing terms and conditions of the Bonds as amended by the Second Supplemental Trust Deed
“Notice of SGM”	the notice dated 15 January 2018 convening the SGM as set forth in the Appendix to this circular
“Optional Redemption Date”	at any time on or after 4 October 2018 to, and including, 4 November 2018 as specified in an Optional Redemption Notice
“Optional Redemption Notice”	not less than 37 nor more than 60 days’ irrevocable notice given to the Trustee, the Principal Paying Agent and the Bondholders in accordance with Condition 11 of the Amended Terms and Conditions at the option of the Company
“Optional Redemption Right”	the right of the Company to exercise early redemption and issue the Optional Redemption Notice at any time on or after 4 October 2018 to, and including, 4 November 2018
“Partial Redemption Amount”	HK\$362,271.85 per HK\$1,000,000 nominal amount of Bonds
“Payment Business Day”	day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and the city in which the specified office of the Principal Paying Agent is located
“Permitted Indebtedness”	has the meaning ascribed to it in the Terms and Conditions of the Bonds

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“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan)
“Principal Paydown Amount”	a redemption amount equal to HK\$131,099.58 per HK\$1,000,000 principal amount of the Bonds payable to each Bondholder in addition to the HK\$350,000 per HK\$1,000,000 principal amount paid on 16 March 2016
“Principal Paying Agent”	The Bank of New York Mellon, London Branch
“Relevant Indebtedness”	any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments which for the time being are, or are intended to be or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market (whether or not initially distributed by way of private placement) and which for the avoidance of doubt does not include bi-lateral loans, syndicated loans or club deal loans
“Second Supplemental Trust Deed”	the supplemental trust deed supplemental to and amending the First Supplemental Trust Deed to be entered into between the Company and the Trustee on the Settlement Date
“Securities Act”	the US Securities Act of 1933, as amended
“Settlement Date”	2 February 2018
“SGM”	the special general meeting of the Company convened for the purpose of considering and, if thought fit, passing the ordinary resolution in respect of the New Proposals and the granting of the Specific Mandate
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shares”	the ordinary share(s) with nominal value of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Specific Mandate”	the specific mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and otherwise deal with not more than 5,050,000,000 new Shares to be issued as Conversion Shares
“Terms and Conditions”	the terms and conditions of the Bonds as amended under the First Supplemental Trust Deed and from time to time

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“Trading Day”	a day when the Hong Kong Stock Exchange is open for dealing business, provided that if no Closing Price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days
“Trustee”	The Bank of New York Mellon, London Branch
“Trust Deed”	the trust deed dated 4 February 2013 between the Company and the Trustee constituting the Bonds as amended by the First Supplemental Trust Deed and from time to time
“US” or “United States”	the United States of America
“US\$”	US dollars, the lawful currency of the US
“Volume Weighted Average Price” or “VWAP”	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 1194 HK Equity VWAP or such other source as shall be determined to be appropriate by an Independent Investment Bank on such Trading Day, provided that on any such Trading Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined
“Written Resolution”	an extraordinary resolution of the Bondholders in writing to approve the New Proposals to be proposed and considered by the Bondholders
“%”	per cent.

LETTER FROM THE BOARD

MUNSUN 麥盛

Munsun Capital Group Limited

麥盛資本集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1194)

Executive Directors:

Mr. Liu Liyang (*Chairman of the Board*)

Mr. Chen Sheng

Mr. Wang Baozhi

Mr. Yu Yong

Mr. Zhang Lirui

Ms. Zang Dongling

Independent Non-executive Directors:

Mr. Wu Tai Cheung

Professor Xiao Rong Ge

Professor Zhang Tianyu

Registered Office:

Clarendon House, 2 Church Street

Hamilton

HM11, Bermuda

Principal place of business

in Hong Kong:

Units 7809-7812

The Center

99 Queen's Road Central

Hong Kong

15 January 2018

To the Shareholders,

Dear Sir or Madam,

**PROPOSED AMENDMENT OF TERMS AND CONDITIONS AND TRUST DEED OF
HK\$1,028,000,000 7.25% CONVERTIBLE BONDS DUE 2018
AND
SPECIFIC MANDATE TO ISSUE NEW SHARES**

INTRODUCTION

Reference is made to Bond Announcement, the 2016 Consent Solicitation Announcements and the Consent Solicitation Announcement. For further details of the Bonds, please refer to the Bond Announcement. For further details of the 2016 Consent Solicitation and the then proposals to amend the Terms and Conditions and the Trust Deed, please refer to the 2016 Consent Solicitation Announcements.

The Company issued the Bonds on 4 February 2013 and effected the amendments to the Terms and Conditions pursuant to the 2016 Consent Solicitation as reflected in the First Supplemental Trust Deed. Pursuant to the existing Terms and Conditions, the Bonds will mature and be due for full payment inclusive of interest on 4 February 2018 and the total sum for such payment would amount to HK\$389,895,077.07. As it is expected that it would be difficult for the Company to fulfill its

LETTER FROM THE BOARD

obligations in full on 4 February 2018, the Company proposes to further amend the Terms and Conditions of the Bonds which include: (i) extending the maturity of the Bonds to 4 August 2019, (ii) addition of a call option exercisable by the Company at any time on or after 4 October 2018 to and including 4 November 2018 (but subject to each Bondholder's right to retain a portion of its holding of Bonds) and removal of the Company's existing soft call, a right to early redemption exercisable after 4 February 2017 (for details, please refer to paragraph (c)(ii) under the section headed "The New Proposals and the Undertaking" disclosed in the circular issued by the Company dated 9 January 2016), (iii) amending the interest rate to 8.5% per annum (such percentage subject to further increase to 11% per annum in certain circumstances), (iv) amending the Conversion Period in the Terms and Conditions so that the Conversion Right in respect of a Bond may be exercised at the option of the Bondholder at any time on or after 5 November 2018 up to and including the close of business on the date falling ten days prior to the Maturity Date, (v) amending the initial Conversion Price in the Terms and Conditions to HK\$0.0618, and (vi) removal of the Conversion Price reset provision.

The New Proposals are designed to assist the Company in managing cash flows and as such the Company is inviting Bondholders to consider modifying the existing Terms and Conditions of the Bonds.

The Company proposes to request the Bondholders to agree to the New Proposals by way of passing a Written Resolution, and the Written Resolution will itself be subject to the subsequent approval of the Shareholders, which will be sought at the SGM. The Company announced on 5 January 2018 that the Written Resolution has been passed by Bondholders.

SECOND SUPPLEMENTAL TRUST DEED

As the Bondholders have passed the Written Resolution, the Company will enter into the Second Supplemental Trust Deed with the Trustee which will also incorporate the amendments contemplated in the New Proposals. If approved by shareholders at the SGM, the Second Supplemental Trust Deed will be executed on the Settlement Date after the New Proposals have been approved by the Shareholders in the SGM and all conditions precedent have been satisfied.

The New Proposals

The amendments to the Terms and Conditions and the Trust Deed and proposals to the Bondholders include the following:

- (a) Paying Bondholders the Principal Paydown Amount plus an amount equal to 20% of the Accrued Interest on the Settlement Date;
- (b) Extension of the maturity of the Bonds whereby the Company will redeem each Bond at its outstanding principal amount together with accrued and unpaid interest thereon on 4 August 2019;

LETTER FROM THE BOARD

- (c) Modification to the redemption right at the option of the Company, whereby:
- (i) the Company may at any time on or after 4 October 2018 to, and including 4 November 2018, redeem all, but not some only, of the Bonds on the Payment Business Day specified in the Optional Redemption Notice as being the Optional Redemption Date at their outstanding principal amount together with accrued but unpaid interest to such date;
 - (ii) if the Company issues an Optional Redemption Notice, each Bondholder will have the right to elect that all or some only of such holder's Bond(s) (subject to partial redemption at the Partial Redemption Amount on a per Bond basis) shall not be redeemed (such Bonds in respect of which such election is made, the "**Retained Bonds**"), provided, however, that any such election must be made in increments of the Authorised Denominations;
 - (iii) on the Optional Redemption Date, all Retained Bonds will be partially redeemed at the Partial Redemption Amount, whereupon the outstanding principal amount of such Retained Bond shall be reduced by the Partial Redemption Amount for all purposes;
 - (iv) on the Optional Redemption Date, all Bonds other than Retained Bonds shall be redeemed in full by the Company at their outstanding principal amount together with accrued but unpaid interest to such date; and
 - (v) removal of the Company's existing right to early redemption (soft call right) exercisable after 4 February 2017;
- (d) Modification of the interest rate whereby the Bonds bear interest from and including 4 February 2013 but excluding 4 February 2018 at the rate of 7.25% per annum and thereafter at 8.5% per annum, and in the event that the Company does not issue the Optional Redemption Notice, the interest rate shall increase to 11.0% per annum with effect from and including 4 November 2018;
- (e) Modification to the Conversion Period so that the Conversion Right in respect of a Bond may only be exercised at the option of the Bondholder at any time on or after 5 November 2018;
- (f) Reduction in the Conversion Price under the existing Terms and Conditions of the Bonds to HK\$0.0618, which is calculated based on a 5% premium to the Volume Weighted Average Price per Share for the last 15 consecutive Trading Days immediately prior to 21 December 2017; and
- (g) Removal of Conversion Price reset provision (*Note*) as set out at Condition 6(E) (*Conversion Price Reset*) in the existing Terms and Conditions of the Bonds.

Note:

In accordance with condition 6(E) of the terms and conditions of the Bonds, if on any 4 August 2016 and 4 February 2017, the Volume Weighted Average Price of the Shares on each Trading Day during the period of the 20 consecutive Trading Days (the "**Relevant Period**") immediately prior to such 4 August 2016 and 4 February 2017 ("**Average Market Price**") is less than the prevailing conversion price (as defined in the circular issued by the Company dated 9 January 2016) ("**Old Conversion Price**")

LETTER FROM THE BOARD

on the last day of the Relevant Period, the Old Conversion Price shall be adjusted on the business day immediately following the last day of the Relevant Period to the Average Market Price, rounded upwards to the nearest Hong Kong cent. In accordance with condition 6(E) of the Bonds Conditions, the adjusted Old Conversion Price following an adjustment shall not be less than HK\$0.25 (the “Reset Floor Price”).

Pursuant to the announcement of the Company dated 10 August 2016, the Board announced that as the Average Market Price (being HK\$0.2539 per Share) prior to 4 August 2016 is less than the prevailing conversion price (being HK\$0.4283 per Share), the conversion price of the Bonds has been adjusted and rounded upwards to HK\$0.26 per Share with effect from 4 August 2016.

Pursuant to the announcement of the Company dated 6 February 2017, the Board announced that as the Average Market Price (being HK\$0.227 per Share) prior to 4 February 2017 is less than the prevailing conversion price (being HK\$0.26 per Share), the conversion price of the Bonds has been adjusted to HK\$0.25 per Share, being the Reset Floor Price, with effect from 4 February 2017.

Shareholders’ approval for the New Proposals

The Company will be seeking Shareholders’ approval for the New Proposals, including the Specific Mandate at the SGM. The Written Resolution will be subject to the subsequent approval of the Shareholders.

Conditions Precedent

The New Proposals will take effect subject to the following conditions having been fulfilled:

- (a) payment of the Principal Paydown Amount plus 20% of the Accrued Interest by the Company to the Bondholders;
- (b) the passing of the Written Resolution by the Bondholders;
- (c) the passing of the ordinary resolution of Shareholders at the SGM approving the New Proposals and granting of the Specific Mandate; and
- (d) no events having occurred between the date of this circular and the Settlement Date which would require an adjustment to the Conversion Price in accordance with the Terms and Conditions.

Therefore:

- (a) if the Written Resolution is passed, the Company will execute the Second Supplemental Trust Deed in relation to the New Proposals as soon as practicable after the passing of the Written Resolution and satisfaction of other settlement conditions; and
- (b) if the Written Resolution is rejected, the Company will not execute the Second Supplemental Trust Deed and none of the amendments contemplated by the New Proposals will be effected.

The above conditions may not be waived by the Company and have not yet been fulfilled as of the date of this circular.

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On the Settlement Date, Bondholders shall have the principal amount of each Bond held (a) further written down by HK\$131,099.58 per HK\$1,000,000 nominal amount of the Bonds representing a reduction in respect of the Principal Paydown Amount and (b) written up by HK\$19,009.44 per HK\$1,000,000 nominal amount of the Bonds representing an increase in respect of 80% of the Accrued Interest. All Bondholders shall: (1) receive the Principal Paydown Amount plus an amount equal to 20% of the Accrued Interest, and (2) retain the Bonds as amended pursuant to the Written Resolution, in an outstanding principal amount of HK\$543,407.78 per HK\$1,000,000 nominal value. Interest on the Bonds outstanding following 4 February 2018 shall be calculated on the reduced outstanding principal amount per HK\$1,000,000 nominal amount of a Bond for the period from and including 4 February 2018 to but excluding the next Interest Payment Date.

The relevant principal amount of Bonds further redeemed by the Company after the completion of the New Proposals and payment of Principal Paydown Amount plus 20% of the Accrued Interest by the Company to Bondholders will be approximately HK\$75,251,000. The relevant principle amount of Bonds considered as redeemed by the Company after the payment of Partial Redemption Amount will be approximately HK\$207,944,000, assuming all Bondholders elect for partial redemption and retain the Bonds in full at the Optional Redemption Date.

The Written Resolution has been passed on 5 January 2018. The results of the notice of Written Resolution is published on the website of (1) the Company at <http://cpm.etnet.com.hk>, (2) the SGX-ST at www.sgx.com, and (3) Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk. Please refer to the announcement of the Company dated 5 January 2018 for further details.

As the New Proposals are subject to the fulfilment of certain conditions precedent and may or may not take effect, Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

PRINCIPAL TERMS OF THE BONDS AFTER NEW PROPOSED AMENDMENTS TAKE EFFECT

The principal terms of the Amended Terms and Conditions after taking into account the New Proposals and assuming that the New Proposals will take effect pursuant to the Second Supplemental Trust Deed, have been announced in the Consent Solicitation Announcement and are summarised below:

Issuer:	Munsun Capital Group Limited
Bonds:	HK\$1,028,000,000 8.5% convertible bonds due 2019.
Form and Denomination of the Bonds:	The Bonds are issued in registered form and in the denomination of HK\$1,000,000 in nominal amount each and integral multiples thereof.

LETTER FROM THE BOARD

- Interest: The Bonds bear interest from and including 4 February 2013 to but excluding 4 February 2018 at the rate of 7.25% per annum and thereafter at 8.5% per annum, and in the event that the Company does not issue the Optional Redemption Notice, the interest rate shall increase to 11% per annum with effect from and including 4 November 2018.
- Maturity Date: 4 August 2019
- Negative Pledge: So long as any Bond remains outstanding, the Company will not, and will ensure that none of its subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure (a) any Relevant Indebtedness (other than the Permitted Indebtedness), or (b) any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security, as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Bondholders or (ii) shall be approved by an extraordinary resolution of the Bondholders.
- Status of the Bonds: The Bonds shall constitute direct, unconditional, unsubordinated and (subject to Condition 4 (*Negative Pledge*) of the Amended Terms and Conditions) unsecured obligations of the Company and shall at all times rank *pari passu* and without any preference or priority among themselves.
- Conversion Right and Period: Subject to and upon compliance with the Terms and Conditions of the Bonds, the conversion right in respect of a Bond may be exercised, at the option of the Bondholder, at any time on or after 5 November 2018 up to the close of business on the date falling ten days prior to the Maturity Date (both days inclusive) or, if such Bond shall have been called for redemption by the Company before the Maturity Date, then up to and including the close of business (at the place where the certificate evidencing the Bonds are deposited for conversion) on a date no later than seven days prior to the date fixed for redemption thereof or, if notice requiring redemption has been given by the holder of such Bond pursuant to the Terms and Conditions of the Bonds, then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice.

LETTER FROM THE BOARD

- Conversion Price: HK\$0.0618 per Share, subject to adjustments
- Conversion Price Adjustments: The Conversion Price will be subject to adjustment for, among other things, consolidation, subdivision or reclassification; capitalisation of profits or reserves; capital distributions; rights issues of Shares or options over Shares or other securities and issuance of options, issue at less than Current Market Price, modification of conversion rights, other offers to Shareholders and other standard dilutive events. The Conversion Price is also subject to adjustment upon a change of Control in the Company. The Conversion Price shall not in any event be reduced to below the nominal or par value of the Shares as a result of any adjustment unless under applicable law then in effect the Bonds may be converted at such reduced Conversion Price into legally issued, fully paid and non-assessable Shares.
- Ranking of Conversion Shares: The Conversion Shares, when issued upon conversion of the Bonds, will be fully paid and will in all respects rank pari passu with the fully paid Shares in issue on the date when the holder of record of the number of Shares issuable upon conversion is registered as such in the register of members of the Company.
- Final Redemption: Unless previously redeemed, converted or purchased and cancelled as provided in the Terms and Conditions of the Bonds, the Company will redeem each Bond at its principal amount together with accrued and unpaid interest thereon on the Maturity Date.

LETTER FROM THE BOARD

Redemption for taxation reasons: The Bonds may be redeemed, at the option of the Company in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice (a "**Tax Redemption Notice**") to the Bondholders at their outstanding principal amount as at such date together with accrued but unpaid interest to such date, if (a) the Company satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional tax amounts as a result of any change in, or amendment to, the laws or regulations of Bermuda, Hong Kong or the PRC or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 28 January 2013, and (b) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay additional tax amounts were a payment in respect of the Bonds then due.

If the Company exercises its tax redemption right, each Bondholder shall have the right to elect that his Bond(s) shall not be redeemed. Upon a Bondholder electing not to have his Bond(s) redeemed in such circumstances, any payments due after the relevant date shall be made subject to any deduction or withholding of any tax required to be deducted or withheld.

Redemption at the option of the Company: On giving an Optional Redemption Notice to the Trustee, the Principal Paying Agent and the Bondholders, the Company may at any time on or after 4 October 2018 to, and including 4 November 2018 redeem all, but not some only, of the Bonds on the Payment Business Day specified in the Optional Redemption Notice as being the Optional Redemption Date at their outstanding principal amount together with accrued but unpaid interest to such date.

If the Company issues an Optional Redemption Notice, each Bondholder will have the right to elect that all or some only of such holder's Bond(s) (subject to partial redemption at the Partial Redemption Amount on a per Bond basis) shall not be redeemed, provided, however, that any such election must be made in increments of Authorised Denominations. To exercise such a right, the relevant Bondholder must complete, sign and deposit at the specified office of the principal agent or any

LETTER FROM THE BOARD

other agent a duly completed and signed notice of election (setting forth the principal amount of Bonds (in such Authorised Denominations) in respect of which the election is being made), in the form which will be set out in the Optional Redemption Notice to be issued by the Company, together with the bond certificate evidencing the Bonds to be redeemed, on or before the day falling 10 business days prior to the Optional Redemption Date.

On the Optional Redemption Date, (i) all Retained Bonds will be partially redeemed at the Partial Redemption Amount, whereupon the outstanding principal amount of such Retained Bond shall be reduced by the Partial Redemption Amount for all purposes; and (ii) all Bonds other than Retained Bonds shall be redeemed in full by the Company at their outstanding principal amount together with accrued but unpaid interest to such date.

Redemption at the option of the Bondholders upon delisting or Change of Control:

When the Shares cease to be listed or admitted to trading or the Bondholders upon suspended for a period equal to or exceeding 30 consecutive Trading Days on the Hong Kong Stock Exchange (or if the Shares are not at that time listed and traded on the Hong Kong Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in) or when there is a change of Control, the Bondholders will have the right at such holder's option, to require the Company to redeem all, but not some only, of such holder's Bonds at their principal amount together with accrued but unpaid interest to such date.

Further Issues⁽¹⁾:

The Company may, from time to time, without the consent of the Bondholders, create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such term as the Company may determine at the time of their issue.

Note:

⁽¹⁾ Reference to Further Issuance under the Terms and Conditions of the Bonds refers to the right of the Company to issue further securities in the future unrelated to the Bonds. Any Shares that may potentially be issued or converted pursuant to such further issuance do not fall within the shares to be issued under the Specific Mandate to be approved by the Shareholders. The Company has no plan to issue further securities (include bonds with the same terms as the Bonds) as at the present date. In case the Company decides to issue further securities in the future, it will comply with all relevant Listing Rules.

LETTER FROM THE BOARD

COMPARISON OF CONVERSION PRICE

The modified conversion price of HK\$0.0618 represents:

- (1) a premium of approximately 0.7% to the Volume Weighted Average Price of HK\$0.0614 per Share as quoted on the Hong Kong Stock Exchange on 21 December 2017;
- (2) a premium of approximately 5.5% to the Volume Weighted Average Price of HK\$0.0586 per Share as quoted on the Hong Kong Stock Exchange for the last 5 consecutive Trading Days immediately prior to 21 December 2017;
- (3) a premium of approximately 5.3% to the Volume Weighted Average Price of HK\$0.0587 per Share as quoted on the Hong Kong Stock Exchange for the last 10 consecutive Trading Days immediately prior to 21 December 2017; and
- (4) a premium of approximately 4.9% to the Volume Weighted Average Price of HK\$0.0589 per Share as quoted on the Hong Kong Stock Exchange for the last 15 consecutive Trading Days immediately prior to 21 December 2017.

The Conversion Price was determined after arm's length negotiations between the Company and the Bondholders, with the assistance of the Consent Solicitation Agent, taking into account, among other factors, the prevailing market price of the Shares. The Directors considered the new conversion price is fair and reasonable and is in the interest of the Company and the Shareholders, having examined factors including (i) the modified conversion price reflects a mark-to-market price of the Shares of the Company plus a premium which is acceptable by both the Company and the Bondholders; (ii) the market trading pattern of the Shares which justified the premium added to the market price; (iii) the removal of the Conversion Price reset provisions under the New Proposals which means the Bondholders will expect a lower and more realistic conversion price for them to anticipate an equity upside which incentivized their agreement to the New Proposals.

EFFECT OF THE NEW PROPOSALS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

(a) **Upon completion of the New Proposals and various assumptions on the exercise of the Optional Redemption Right**

Assuming completion of the New Proposals, payment of Principal Paydown Amount plus 20% of the Accrued Interest by the Company to all Bondholders and full conversion of the Bonds at the modified conversion price of HK\$0.0618 per Share without the Optional Redemption Right being exercised (as described in scenario (iv) below), the Bonds will be convertible into 5,047,185,444 Shares, representing approximately 36.32% of the issued share capital of the Company as at the Latest Practicable Date and approximately 26.64% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

Set out below is the shareholding structure of the Company:

- (i) as at the Latest Practicable Date (“**Scenario (i)**”);

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- (ii) assuming upon the Company's exercise of the Optional Redemption Right, all Bondholders elect for full redemption of the Bonds at the Optional Redemption Date ("Scenario (ii)"). No Conversion Share will be issued in this scenario;
- (iii) assuming upon the Company's exercise of the Optional Redemption Right, all Bondholders elect for partial redemption of the Bonds and retain the balance of their Bonds in full at the Optional Redemption Date (and therefore Partial Redemption Amount being paid in cash on a per Bond basis) ("Scenario (iii)"). Total Conversion Shares to be issued in this scenario will be 1,682,395,148; and
- (iv) assuming no Option Redemption Right is exercised and conversion of the Bonds in full into Shares at the Conversion Price of HK\$0.0618 each after expiry of the Optional Redemption Period ("Scenario (iv)"). Total Conversion Shares to be issued in this scenario will be 5,047,185,444.

Scenarios (ii), (iii) and (iv) are for illustrative purpose only and are based on the assumption of completion of the New Proposals and payment of the Principal Paydown Amount plus 20% of the Accrued Interest by the Company to all Bondholders. We also assume that there being no other change to the share capital and shareholding structure of the Company from the Latest Practicable Date to the date of completion of the above scenarios (ii), (iii) and (iv). Bondholders are only entitled to exercise their Conversion Right during the Conversion Period which will start on 5 November 2018 and therefore the shareholding structure of the Company immediately following completion of the New Proposals will be the same as the under scenario (i).

	Scenario (i)		Scenario (ii)		Scenario (iii)		Scenario (iv)	
	Number of Approximate Shares	Approximate % of total Shares in issue	Number of Shares held	Approximate % of total Shares	Number of Shares held	Approximate % of total Shares	Number of Approximate Shares	Approximate % of total Shares
Citic Guoan Group Limited (Note 1)	1,304,347,826	9.38	1,304,347,826	9.38	1,304,347,826	8.37	1,304,347,826	6.88
Liu Liyang (Note 2)	979,882,869	7.05	979,882,869	7.05	979,882,869	6.29	979,882,869	5.17
The Bank of New York Mellon Corporation (Note 3)	716,000,364	5.15	716,000,364	5.15	716,000,364	4.60	716,000,364	3.78
Zhang Lirui (Note 4)	266,313,590	1.92	266,313,590	1.92	266,313,590	1.71	266,313,590	1.41
BFAM (Note 5)	—	—	—	—	1,195,848,816	7.68	3,587,546,448	18.94
Other Bondholders	16,729,585	0.12	16,729,585	0.12	503,275,917	3.23	1,476,368,581	7.79
Total Bondholders	16,729,585	0.12	16,729,585	0.12	1,699,124,733	10.91	5,063,915,029	26.73
Other public Shareholders	10,614,644,547	76.38	10,614,644,547	76.38	10,614,644,547	68.12	10,614,644,547	56.03
Total public Shareholders	10,631,374,132	76.50	10,631,374,132	76.50	12,313,769,280	79.03	12,091,013,128**	63.82
Total	13,897,918,781	100.00	13,897,918,781	100.00	15,580,313,929	100.00	18,945,104,225	100.00

** The Shares under total public Shareholders under scenario (iv) include the Shares of other Bondholders and other public Shareholders but exclude the Shares held by BFAM (please refer to note(5) for the details)

Notes:

- (1) Road Shine Developments Limited is wholly-owned by Guoan (HK) Holdings Limited which is wholly-owned by Citic Guoan Group Limited. Road Shine Developments Limited is directly holding 1,304,347,826 Shares and Citic Guoan Group Limited is deemed to hold 1,304,347,826 Shares through its controlled interests in Road Shine Developments Limited.

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- (2) Mr. Liu Liyang (“**Mr. Liu**”) is an executive Director and respectively holds 1,700,000 Shares by virtue of his personal interest and 978,182,869 Shares through Tai Ning Investment Holdings Limited (which is wholly and beneficially owned by Mr. Liu), representing approximately 0.01% and 7.04% of the total Shares in issue.
- (3) The Bank of New York Mellon had long positions in 716,000,364 Shares and 716,000,364 Shares in lending pool. Since The Bank of New York Mellon is wholly owned by The Bank of New York Mellon Corporation, The Bank of New York Mellon Corporation is also taken to be interested in the shares held by The Bank of New York Mellon.
- (4) Mr. Zhang Lirui is an executive Director.
- (5) One of the Bondholders, BFAM Asian Opportunities Master Fund, LP, (“**BFAM**”) holds HK\$267,443,151 in the principal amount of the Convertible Bonds as at the Latest Practicable Date, which upon completion of the New Proposals and assuming the conversion of the Bonds in full into Shares at the new Conversion Price would entitle it to 3,587,546,448 Conversion Shares, representing approximately 18.94% of the total Shares. BFAM will not be considered as a public shareholder under the Listing Rules by virtue of being a substantial shareholder of the Company in the case of scenario (iv).
- (6) Bonds redeemed will be cancelled.

(b) **Further illustration of effect on outstanding principal amount of the Bonds upon completion of the New Proposals and various assumptions on the exercise of the Optional Redemption Right**

	HK\$’000
(i) Immediately upon completion of the New Proposals	
Outstanding principal amount of the Bonds as at the Latest Practical Date	376,256
Less Principal Paydown Amount	75,251
Add 80% of Accrued Interest	10,911
Outstanding principal amount of the Bonds upon completion of the New Proposal	311,916
(ii) Immediately upon exercise of the Optional Redemption Right at the Optional Redemption Date:	
Scenario (ii)	
Total outstanding principal amount of the Bonds to be fully redeemed	311,916
Scenario (iii)	
Total outstanding principal amount of the Bonds	311,916
Less Partial Redemption Amount	207,944
Outstanding Principal amount of the Retained Bonds after payment of Partial Redemption Amount	103,972
Number of conversion Shares to be issued	1,682,395,148
Scenario (iv)	
Number of conversion Shares to be issued	5,047,185,444

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The Optional Redemption Right provides the Company the flexibility to redeem the remaining outstanding Bonds in full at the Optional Redemption Date. In determining whether to exercise the Optional Redemption Right, the Company will assess its cash and liquidity position and future funding needs of the Group. While the Company currently intends to exercise the Optional Redemption Right if sufficient financial resources are available internally or through other financial raising channels, the final decision will be made at the relevant time considering the prevailing circumstances of the Company and financing options in the interest of the Company and Shareholders as a whole.

SPECIFIC MANDATE TO ISSUE NEW SHARES

At the SGM, the Company will seek a Specific Mandate from the Shareholders to issue not more than 5,050,000,000 new Shares (representing approximately 36.34% of the issued share capital of the Company as at the Latest Practicable Date, approximately 26.66% of the enlarged issued share capital immediately after conversion of the maximum number of Conversion Shares at the Conversion Price. The major terms of the Specific Mandate are as follows:

- (a) the specific mandate for the issue of not more than 5,050,000,000 new Shares;
- (b) the new Shares will be issued at the Conversion Price;
- (c) the grant of the Specific Mandate is subject to the passing of an ordinary resolution by the Shareholders at the SGM approving such grant;
- (d) the issue of Conversion Shares pursuant to the Specific Mandate will be conditional upon the approval of the Shareholders by way of ordinary resolution to (i) the adoption of the New Proposals and execution of relevant documents; and (ii) the grant of the Specific Mandate for the Directors to issue not more than 5,050,000,000 new Shares; and
- (e) the proposed Specific Mandate is for the period from the passing of the ordinary resolution at the SGM up to any subsequent revocation or variation of the authority given under the ordinary resolution of the Shareholders at the SGM.

In the event that the Company issues the Optional Redemption Notice, each Bondholder will have the right to elect that all or some only of such holder's Bond(s) (subject to partial redemption at the Partial Redemption Amount on a per Bond basis) shall not be redeemed. The number of Conversion Shares to be issued is subject to the discretion of the Bondholders whether to exercise their right to retain the Bonds partially or in full. In case certain Bondholders elect to retain the Bonds, the actual numbers of shares to be converted will be less than the maximum numbers of shares sought under the Specific Mandate (which is rounded up from the number of Shares that may be fully converted pursuant to the New Proposals). No Shares representing the differences between the actual numbers of shares to be converted and the numbers of shares sought under the Specific Mandate, will be issued. The Company will issue further announcement to update the Shareholders when any new Shares are issued under the New Proposals.

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GENERAL INFORMATION ABOUT THE GROUP

The Group is principally engaged in mining and processing of gold ores and sales of gold products in the PRC and provision of financial services business in Hong Kong and the PRC, including asset management, securities brokerage, financing and advisory services.

REASONS FOR AND BENEFITS OF THE NEW PROPOSALS

The New Proposals are designed to assist the Company in managing cash flows. While the Company is committed to performing its obligations under the Bonds, the Directors believe that if the Written Resolution is not passed and the New Proposals cannot be implemented, it would be difficult for the Company to fulfill its obligations in full on 4 February 2018. The Directors have considered settling the outstanding Bonds by various means including equity fund raising and debt financing. However, as the Company's share price was less than its share par value, it was unable to issue any Shares at a price below par value. Following a capital reorganization which was completed on 2 January 2018, the par value per Share was reduced. The Directors have also considered the settling of outstanding Bonds by debt financing. However, the interest rate may be higher than the revised interest rate of the New Proposals and the pledge of the Group's assets will be required. Having taken into account the Group's existing cashflow and the above alternatives, the Company considers it more cost-effective and practical to extend the Maturity Date of the Bonds and revise the terms of the Bonds pursuant to the New Proposals rather than settling the Bonds through other means. In view of the tight cashflow of the Company as shown in the Company's latest interim report as at 30 June 2017, full redemption of the Bonds on 4 February 2018, will further reduce the available cash resources of the Group, which may impose negative impact on the Group's liquidity and negatively affect the Group's further business development and expansion plans. The Company will carefully monitor its liquidity and cash position from time to time and will settle the Bonds pursuant to the terms of the New Proposals through considering and utilizing the financial resources and financing options (either in equity or debt or a combination of both) available to the Company at the time when the Bonds are to be redeemed. The Company, the Shareholders and the Bondholders may be materially and adversely affected if the New Proposals are not approved. The Directors consider that (i) the terms of the New Proposals are fair, reasonable and on normal commercial terms; and (ii) the New Proposals and the Specific Mandate are in the interest of the Company, the Shareholders and the Bondholders as a whole.

LISTING RULES IMPLICATIONS

The New Proposals are subject to approval by the Shareholders and the grant of listing approval by the Hong Kong Stock Exchange in respect of the additional Conversion Shares issuable pursuant to the New Proposals. The Company is convening the SGM to seek the Shareholders' approval for the New Proposals and the granting of a Specific Mandate to the Directors for issuing not more than 5,050,000,000 new Shares. Application will be made by the Company to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Conversion Shares issuable by the Company pursuant to the New Proposals.

Any Shareholder who holds an interest in the Bonds is required to abstain from voting at the SGM.

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Having made all reasonable enquiries, the Directors confirm pursuant to Rule 2.17 of the Listing Rules that the Bondholders (all of whom are independent third-parties of the Company) who held approximately 16,729,585 Shares, representing 0.12% of the issued share capital of the Company as at the Latest Practicable Date will be required to abstain from voting at the SGM. Save as disclosed above, no other Shareholders would be required to abstain from voting at the SGM.

FUND RAISING IN THE PAST TWELVE MONTHS

The Group did not conduct any other fund raising activity or issue of equity securities in the last twelve months immediately preceding the Latest Practicable Date.

SGM AND PROXY ARRANGEMENT

The Notice of SGM is set forth in the Appendix to this circular. At the SGM, resolutions will be proposed to approve the New Proposals and the Specific Mandate. The SGM will be held at Meeting Room C, 5th Floor, World-Wide House, 19 Des Voeux Road, Central, Hong Kong on Wednesday, 31 January 2018 at 11:00 a.m.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all resolutions will be put to vote by way of poll at the SGM. An announcement on the poll vote results will be made by the Company after the SGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Save as disclosed below, as at the Latest Practicable Date, no other Shareholder had any material interest in the New Proposals, and no other Shareholder is required to abstain from voting at the SGM.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his/its votes or cast all his/its votes in the same way. As at the Latest Practicable Date, the Directors confirm, having made all reasonable enquiries, that the Bondholders (all of whom are independent third-parties of the Company) who hold approximately 16,729,585 Shares, representing 0.12% of the issued share capital of the Company, will be required to abstain from voting. Save as disclosed above, no other Shareholders would be required to abstain from voting at the SGM.

A form of proxy for use at the SGM is enclosed with this circular and such form of proxy is also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the SGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and deliver it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours

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before the time appointed for holding the SGM or any adjournment thereof at which the person named in the form of proxy proposes to vote and in default the form of proxy will not be treated as valid. Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM and in such event, the form of proxy shall be deemed to be revoked.

RECOMMENDATION

The Board is of the opinion that (i) the terms of the New Proposals are fair, reasonable and on normal commercial terms; and (ii) the grant of the Specific Mandate for the Directors to issue not more than 5,050,000,000 new Shares for the period from the passing of the ordinary resolution at the SGM up to any subsequent revocation or variation of the authority given under the ordinary resolution at the SGM are in the interest of the Company and the Shareholders as a whole.

Accordingly, the Board recommends the Shareholders vote in favour of the proposed ordinary resolution for approval of (i) the New Proposals; and (ii) the grant of the Specific Mandate for the Directors to issue not more than 5,050,000,000 new Shares for the period from the passing of the ordinary resolution at the SGM up to any subsequent revocation or variation of the authority given under the ordinary resolution at the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
Munsun Capital Group Limited
LIU Liyang
Chairman

MUNSUN 麥盛

Munsun Capital Group Limited

麥盛資本集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 1194)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (“SGM”) of Munsun Capital Group Limited (the “Company”) will be held at Meeting Room C, 5th Floor, World-Wide House, 19 Des Voeux Road, Central, Hong Kong on Wednesday, 31 January 2018 at 11:00 a.m. for the purpose of considering, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

“THAT:

- (A) the execution of the supplemental trust deed (the “**Second Supplemental Trust Deed**”), a copy of which marked “A” and is produced to the meeting and signed by the chairman of the meeting for identification purposes only, to be dated on or about the date following this meeting, in any case no later than 2 February 2018, to be entered into between the Company and The Bank of New York Mellon, London Branch as trustee (the “**Bank of New York Mellon**”) amending the terms of the existing trust deed as amended by a supplemental trust deed on 4 February 2016 and from time to time (“**Trust Deed**”) and setting out certain amendments (the “**New Proposals**”) to the terms and conditions of the HK\$1,028,000,000 in aggregate principal amount of 7.25% convertible bonds due 2018 (the “**Bonds**”) which may be converted into ordinary shares of HK\$0.005 each in the share capital of the Company (the “**Shares**”), the transactions contemplated thereby be and are hereby approved;
- (B) conditional upon the passing of the resolution in (A) above, a specific mandate (the “**Specific Mandate**”) be and is hereby granted to the board of directors of the Company to issue not more than 5,050,000,000 new Shares upon conversion of the Bonds for the period from the passing of this ordinary resolution up to any subsequent revocation or variation of the authority given under the ordinary resolution passed at a general meeting of the shareholders of the Company; and
- (C) the directors of the Company or any one of them be and are hereby authorised to execute and deliver whether under common seal of the Company or otherwise all such deeds, notices, certificates, documents and to do all such acts or things as they may consider necessary, appropriate, desirable or expedient in connection with:

- (i) the Second Supplemental Trust Deed, the New Proposals and all the transactions contemplated thereunder and implementation thereto;
- (ii) securing the fulfilment of the conditions precedent for the New Proposals to take effect pursuant to the execution of the Second Supplemental Trust Deed; and
- (iii) the approval of any amendments or variations to the Trust Deed, the Second Supplemental Trust Deed, the New Proposals and the Bonds or the granting of waivers of any matters contemplated thereby that are, in the directors' opinion, not fundamental to the transactions contemplated thereby and are in the best interests of the Company, including without limitation the signing (under the common seal of the Company where required or expedient or otherwise) of any supplemental or ancillary agreements and instruments and the giving of any undertakings and confirmations for any such purposes."

By order of the Board
Munsun Capital Group Limited
LIU Liyang
Chairman

Hong Kong, 15 January 2018

Notes:

1. A member entitled to attend and vote at the SGM is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her behalf. A proxy need not be a member of the Company but must be present in person at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed.
2. Where there are joint holders of any Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. A proxy form for use at the SGM is enclosed. Whether or not you intend to attend the SGM in person, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hands of any officer or attorney duly authorised.
5. In order to be valid, the proxy form, together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be).
6. Completion and return of a proxy form shall not preclude a member from attending and voting in person at the SGM or any adjournment thereof (as the case may be) and, in such event, the proxy form appointing a proxy shall be deemed to be revoked.
7. The form of proxy for use at the SGM is enclosed herewith.