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廣州富力地產股份有限公司
GUANGZHOU R&F PROPERTIES CO., LTD.

(a joint stock limited company incorporated in the People’s Republic of China with limited liability)
(Stock Code: 2777)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued by Guangzhou R&F Properties Co., Ltd. (the “**Company**”) pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

References are made to the announcement of the Company dated 11 August 2024 (the “**Announcement**”) in relation to, among other things, certain updates in relation to the Easy Tactic Notes. Unless otherwise defined, capitalized terms used herein have the same meanings as those defined in the Announcement.

Please refer to the attached announcement (the “**Document**”) in relation to the information regarding the proposed restructuring of the In-Scope Debt (as defined in the Document), which was published on the website of SGX-ST.

The posting of the Document on the website of the Stock Exchange is only for the purpose of facilitating equal dissemination of information to investors in Hong Kong and compliance with Rule 13.10B of the Listing Rules, and not for any other purposes.

The Document does not constitute a prospectus, notice, circular, brochure or advertisement offering to sell any securities to the public in any jurisdiction, nor is it an invitation to the public to make offers to subscribe for or purchase any securities, nor is it calculated to invite offers by the public to subscribe for or purchase any securities.

The Document must not be regarded as an inducement to subscribe for or purchase any securities of the Company, and no such inducement is intended. No investment decision should be based on the information contained in the Document.

By order of the Board
Guangzhou R&F Properties Co., Ltd.
Li Sze Lim
Chairman

Hong Kong, 16 December 2024

As at the date of this announcement, the executive directors of the Company are Dr. Li Sze Lim, Mr. Zhang Hui, Mr. Xiang Lijun and Mr. Zhao Feng; the non-executive directors are Ms. Zhang Lin and Ms. Li Helen; and the independent non-executive directors are Mr. Zheng Ercheng, Mr. Ng Yau Wah, Daniel and Mr. Wong Chun Bong.

** For identification purposes only*

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This announcement is not a prospectus for the purposes of the European Union's Regulation (EU) 2017/1129 or Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

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**ANNOUNCEMENT
PROPOSED RESTRUCTURING**

by

**EASY TACTIC LIMITED
怡略有限公司
(THE "ISSUER")**

RELATING TO THE FOLLOWING NOTES (THE "NOTES")

Description of Debt Securities	ISIN
6.5% Cash / 7.5% PIK Senior Notes Due 2025	XS2495355674
6.5% Cash / 7.5% PIK Senior Notes Due 2027	XS2495358009
6.5% Cash / 7.5% PIK Senior Notes Due 2028	XS2495359403

INTRODUCTION

Guangzhou R&F Properties Co., Ltd. (the "**Company**") and its advisors have been engaged in dialogue with its stakeholders on the proposed restructuring of its offshore debt (the "**In-Scope Debt**"), in an effort to reach a solution under which all of its stakeholders will be treated fairly. The In-Scope Debt comprises the Notes and any other financial indebtedness of the Company and its subsidiaries (the "**Group**") as designated by the Company, the Issuer and R&F Properties (HK) Company Limited ("**R&F HK**", and together with the Company and the Issuer, the "**Transaction Companies**") at their sole discretion.

Having considered the prevailing market conditions and the Company's projected cash flow, and following discussions with certain offshore creditors, the Company has prepared a restructuring support agreement (the "**RSA**") to be entered into by, among others, the persons holding legal and/or beneficial

interests as principal in the In-Scope Debt that are in support of the Restructuring (each a “**Consenting Creditor**”) and the Transaction Companies.

The Restructuring is expected to be implemented through a scheme of arrangement in the English court and/or other applicable jurisdiction in the sole discretion of the Transaction Companies, and/or to the extent that the Issuer and the Company deem that it is necessary, through any other consent solicitation corporate action, legal proceedings or other procedure or step commenced for the primary purpose of implementing the Restructuring (the “**Approved Restructuring Process**”).

The Company formulated a restructuring proposal (the “**Proposal**”) for the Restructuring as set out in the term sheet (“**Term Sheet**”) (a copy of which is set out in the Appendix A to this announcement). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined under the RSA.

THE RSA

Summary of Key Terms in the RSA

This is a summary only, please see the RSA, available on the Transaction Website, for further details.

Under the terms of the RSA, among other things:

1. each of the Transaction Companies undertakes, prior to the Restructuring Effective Date, to:
 - (i) use reasonable endeavours to implement the Restructuring in the manner envisaged by, and materially on the terms and conditions set out in, the RSA and the Term Sheet;
 - (ii) prepare, review, negotiate and finalise (as applicable), in good faith, the Restructuring Documents and any and all other documents required to implement the Restructuring such that they are consistent in all material respects with the terms as set out in the RSA and the Term Sheet;
 - (iii) use reasonable endeavours to procure that, in respect of a Scheme, the Restructuring Effective Date occurs, and the Restructuring is fully implemented on or before the Longstop Date;
 - (iv) use reasonable endeavours to obtain any necessary regulatory or statutory approval required to permit or facilitate the Restructuring (including, without limitation, any approval of SEHK or SGX as may be required);
 - (v) use reasonable endeavours to obtain all corporate approvals necessary to implement the Restructuring in the manner envisaged by, and materially on the terms and conditions set out in, the RSA and the Term Sheet; and
 - (vi) keep the Consenting Creditors reasonably informed in relation to the status and progress of the Restructuring, including following a reasonable request by any legal advisor to the Consenting Creditors.
2. each Consenting Creditor undertakes to, among other things:
 - (i) submit, or have submitted on his behalf, a validly completed Accession Letter to the Information Agent via the Transaction Website prior to the relevant deadline;

- (ii) take all actions reasonably requested by the Transaction Companies to implement or protect the Restructuring by agreeing with any action put forward by any member of the Group to oppose and dismiss any Insolvency Proceedings and ensure that the Restructuring (if implemented) is recognised in all relevant jurisdictions;
- (iii) provide confirmation (upon reasonable request from the Transaction Companies) that it fully supports the Restructuring ;
- (iv) use all reasonable endeavours to provide assistance to the Transaction Companies for the purpose of obtaining any regulatory or statutory clearance in connection with the Restructuring;
- (v) prepare, review, negotiate and finalise (as applicable), in good faith, the Restructuring Documents as soon as practicable, such that they are consistent in all material respects with the terms of the RSA and the terms set out in the Term Sheet; and
- (vi) take all such actions as are necessary to support the Consent Solicitation, the Scheme and other Approved Restructuring Process, as the case may be.

Key Features of the Restructuring

The Restructuring will involve, among other things, a full release of the Scheme Creditors' Claims in exchange for the Restructuring Consideration (as described below), all In-Scope Debt shall be cancelled and all guarantees and securities (if any) in connection with the In-Scope Debt will be released and extinguished.

The Restructuring Consideration for each Scheme Creditor will consist of one or a combination of one or more of following options (each of Option 1 through Option 3 below, an "**Option**" and, collectively, the "**Options**"), in accordance with the Scheme Creditors' Election:

Option 1: at such Scheme Creditor's election, cash in an amount equal to 5% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor;

Option 2: at such Scheme Creditor's election, (i) the sum of (x) senior notes (the "Senior Notes") in a principal amount equal to 40% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor and (y) subject to receipt of requisite approval, mandatory convertible bonds (the "Mandatory Convertible Bonds") that are convertible into new ordinary shares of the Company listed on SEHK (the "Shares") in a principal amount equal to 10% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor or (ii) Senior Notes in a principal amount equal to 50% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor, if the Company fails to obtain the requisite approval for issuance of the Mandatory Convertible Bonds after using reasonable efforts; and

Option 3: at such Scheme Creditor's election, long term notes (the "Long Term Notes") in a principal amount equal to 100% of the Scheme Creditor Principal Amount of the Scheme Creditor's Claim so elected by such Scheme Creditor.

Under the Proposal, a portion of the Net Proceeds from the Specified Asset shall be applied towards repurchase and/or redemption of the Consent Fee Notes and the Senior Notes on a pro rata basis.

For further details of the terms of the Restructuring, please refer to the Term Sheet.

Consent Fee

The Transaction Companies shall, in accordance with the terms of the RSA, pay or procure the payment of a consent fee (the “**Consent Fee**”) to all Consenting Creditor who validly held Eligible Restricted Debt Instrument(s) as of the Accession Deadline (as defined in the RSA, being 4:00 p.m. London time on 23 January 2025 or such later date and time as the Transaction Companies may elect in accordance with Clause 9.3(b) in the RSA), in the form of a US dollar denominated senior notes with a maturity of four years from the Restructuring Effective Date (the “**Consent Fee Notes**”) in an aggregate principal amount of US\$50.0 million. Each Consenting Creditor will be entitled to receive the Consent Fee Notes in a principal amount equal to a quotient of (1) its Scheme Creditor Principal Amount and (2) the total Scheme Creditor Principal Amount of all Consenting Creditors.

The Transaction Companies undertake to pay or procure the payment of the Consent Fee with respect to each Eligible Restricted Debt Instrument which has validly been made subject to the terms of the RSA by a Consenting Creditor, on or prior to the Restructuring Effective Date, as a condition of the relevant Approved Restructuring Process by way of a transfer via the Clearing Systems. The Consent Fee will be paid:

- (i) to a Consenting Creditor who validly held Eligible Restricted Debt Instrument(s) as of the Accession Deadline and still holds such Eligible Restricted Debt Instrument(s) at the Record Time, *provided* that: it fully complies with the requirements of Clause 5.3 in the RSA; and no Transfer or purported Transfer of such Eligible Restricted Debt Instrument(s) has occurred after the Accession Deadline; or
- (ii) to a Consenting Creditor who is the transferee by a valid Transfer (or, if applicable, a chain of valid Transfers) of such Eligible Restricted Debt Instrument(s) in accordance with Clause 6 in the RSA after the Accession Deadline and as a result holds them at the Record Time, *provided* that it fully complies with the requirements of Clause 5.3 in the RSA.

SUPPORT OF THE PROPOSAL

The Company believes that the Proposal represents a reasonable and realistic solution for the compromise of the In-Scope Debt, having taken into account the expected conditions in the property market in China and the Company’s cashflow position. The Company considers that implementation of the Proposal would allow the Company to comprehensively improve its capital structure, enable the Company to better manage its operations and deliver long-term value for its stakeholders (including holders of the Notes).

The Company has retained D.F. King Ltd to act as the Information Agent who will be responsible for collecting, via the Transaction Website, Accession Letters, Participating Debt Notice and/or Transfer Notices (as applicable) from Participating Creditors and answering any questions regarding the process. The RSA will be made available on the Transaction Website, operated by the Information Agent for the purpose of the RSA.

The contact details of the Information Agent are set out below:

D.F. King Ltd

Transaction Website: <https://clients.dfkingltd.com/guangzhourf>

Address:

In London: 51 Lime Street, London, EC3M 7DQ, United Kingdom

In Hong Kong: Suite 1601, 16/F, Central Tower, 28 Queen's Road Central, Hong Kong
Email: GuangzhouRF@dfkingltd.com
Tel: London +44 20 3885 9156, Hong Kong +852 5808 1738

The Company urges the relevant creditors to seriously consider the terms of the Proposal and support the implementation of the Proposal. They are encouraged to contact the Information Agent if they decide to participate in the implementation of the Proposal and sign the RSA. Any requests for information on the Proposal can be directed to the Company's financial advisor.

The contact details of the Company's financial advisor are set out below:

Alvarez & Marsal Corporate Finance Limited

Email: GuangzhouRF@alvarezandmarsal.com

The Proposal is subject to acceptance by the Consenting Creditors and may or may not proceed in its original form. Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company and the Issuer. When in doubt, shareholders and other investors are advised to seek professional advice from their own professional or financial advisors.

Further announcement(s) will be made by the Issuer to inform shareholders and other investors of the Company and the Issuer of any material development on the Proposal as and when appropriate.

Hong Kong, 16 December 2024

APPENDIX A

Restructuring Term Sheet

Subject to Contract

*This term sheet (the “**Term Sheet**”) sets forth certain material terms and conditions in connection with the proposed restructuring (the “**Restructuring**”) of the In-Scope Debt. The Restructuring is expected to be implemented in accordance with the terms of this Term Sheet through one or a combination of the Restructuring Processes. Capitalised terms used but not defined in this Term Sheet shall have the meaning ascribed to them in the RSA.*

This Term Sheet is a summary only and does not purport to be a comprehensive or exhaustive statement of the requirements of the parties or information relating to the Restructuring. For the avoidance of doubt, this Term Sheet is indicative only and does not constitute an offer or agreement to complete the Restructuring. Nothing in this Term Sheet shall amend any term of the In-Scope Debt or constitute a waiver of any right of any party thereunder and this Term Sheet shall not constitute any agreement or commitment on the part of any Scheme Creditor to enter into definitive agreements with the Transaction Companies. Should the discussions between the parties result in a decision to proceed with the Restructuring, the parties shall do so only pursuant to the terms of definitive agreements to be negotiated, executed and delivered in form and substance satisfactory to each party.

The Term Sheet does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or any other jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made only by means of a prospectus. Such prospectus will contain detailed information about the Company and its management, as well as financial statements. No public offer of securities is to be made by the Company in the United States.

The Term Sheet is not a prospectus for the purposes of Regulation (EU) 2017/1129, including as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020.

GENERAL

Issuer of the Existing Notes	Easy Tactic Limited 怡略有限公司, incorporated in British Virgin Islands with limited liability (“ Easy Tactic ”)
Company	Guangzhou R&F Properties Co., Ltd. 广州富力地产股份有限公司, a company incorporated with limited liability under the laws of the People’s Republic of China
R&F HK	R&F Properties (HK) Company Limited, a company incorporated with limited liability under the laws of Hong Kong
Subsidiary Guarantors	the Subsidiary Guarantors under the Existing Notes
Keepwell and EIPU	The Existing Notes have the benefit of the Keepwell Deed (as defined in the Trust Deeds) and the EIPU (as defined in the Trust Deeds), pursuant to which, amongst other things, the Company undertakes in favour of the Trustee to (a) cause the Issuer and R&F HK to have sufficient liquidity to meet their respective payment obligations as they fall due, and (b) purchase certain equity interests to assist the Issuer and R&F HK and in meeting their respective obligations under the Existing Notes, upon the occurrence of certain events stipulated therein.
Group	The Company and its Subsidiaries
Implementation	The Restructuring is expected to be implemented through a scheme of arrangement

Method	in the English court and/or other applicable jurisdiction in the sole discretion of the Transaction Companies, and/or to the extent that the Issuer and the Company deem that it is necessary, through any other consent solicitation corporate action, legal proceedings or other procedure or step commenced for the primary purpose of implementing the Restructuring (the “ Approved Restructuring Process ”).
Scheme Creditors (and each, a Scheme Creditor)	The persons holding beneficial interest as principal in the In-Scope Debt as at the Record Time (as defined below) for the Scheme. “ Record Time ” means the time designated by the Transaction Companies for the determination of the outstanding principal amount of the In-Scope Debt held by Scheme Creditors for the purposes of voting at the Scheme meeting and/or the Approved Restructuring Process.

RESTRUCTURING OF THE IN-SCOPE DEBT

Restructuring	On the Restructuring Effective Date, the Restructuring is expected to involve a full release of the Scheme Creditors’ Claims (as defined below) in exchange for the Restructuring Consideration (as described below), all In-Scope Debt shall be cancelled and all guarantees and securities (if any) in connection with the In-Scope Debt will be released and extinguished.
Restructuring Effective Date	The day on which all conditions precedent to the Restructuring have been satisfied or waived (as the case may be), including the obtaining of all relevant approvals or consents. On and from the Restructuring Effective Date, the Scheme Creditors shall fully release all claims and related claims against (among others) the Issuer, the Company, R&F HK and the Subsidiary Guarantors, and any and all of their respective subsidiaries, their respective shareholders, officers, directors, advisors and representatives, or office-holders, of each of the foregoing under or in connection with the In-Scope Debt, the guarantee provided by R&F HK and Subsidiary Guarantors, the Keepwell Deed and the EIPU, as applicable, in connection with the In-Scope Debt and the Existing Finance Documents in exchange for and with effect from the receipt of the Restructuring Consideration in accordance with the terms of the Scheme Document.
Scheme Creditors’ Claims	For purpose of <u>voting</u> on the Scheme at the Scheme meeting, the value of each Scheme Creditor’s claim (the “ Scheme Creditor Claim ” and such claims of all Scheme Creditors, the “ Scheme Creditors’ Claims ”) shall be the sum of: (a) the outstanding principal amount of the In-Scope Debt held by such Scheme Creditor at the Record Time (the “ Scheme Creditor Principal Amount ”); and (b) all accrued and unpaid interest at the Record Time on such In-Scope Debt up to (but excluding) the Record Time. For purpose of <u>distribution</u> of the Restructuring Consideration, the value of each Scheme Creditor’s entitlement shall be the Scheme Creditor Principal Amount of such Scheme Creditor.
Restructuring Consideration	The Restructuring Consideration for each Scheme Creditor will consist of one or a combination of one or more of following options (each of Option 1 through Option 3 below, an “ Option ” and, collectively, the “ Options ”), in accordance with the Scheme Creditors’ Election: (1) Option 1: at such Scheme Creditor’s election, cash in an amount equal to

5% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor (the “**Option 1 Entitlement**”).

- (2) **Option 2:** at such Scheme Creditor’s election, (i) the sum of (x) senior notes (the “**Senior Notes**”) in a principal amount equal to 40% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor and (y) subject to receipt of requisite approval, mandatory convertible bonds (the “**Mandatory Convertible Bonds**”) that are convertible into new ordinary shares of the Company listed on SEHK (the “**Shares**”) in a principal amount equal to 10% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor or (ii) Senior Notes in a principal amount equal to 50% of the Scheme Creditor Principal Amount of the Scheme Creditor Claim so elected by such Scheme Creditor, if the Company fails to obtain the requisite approval for issuance of the Mandatory Convertible Bonds after using reasonable efforts (either (i) or (ii), the “**Option 2 Entitlement**”)
- (3) **Option 3:** at such Scheme Creditor’s election, long term notes (the “**Long Term Notes**”) in a principal amount equal to 100% of the Scheme Creditor Principal Amount of the Scheme Creditor’s Claim so elected by such Scheme Creditor (the “**Option 3 Entitlement**”).

“**Scheme Creditors’ Election**” refers to the election of any or a combination of the Options by any Scheme Creditor as at the Record Time as part of the Restructuring Consideration, in accordance with the following:

- (1) the aggregate Scheme Creditor Principal Amount of all Scheme Creditors that may be exchanged into the cash in Option 1 shall not exceed US\$1.0 billion, which may be adjusted upward by the Transaction Companies at their sole discretion (the “**Aggregate Option 1 Allocation Amount**”); the amount of cash that each Scheme Creditor will receive as Restructuring Consideration on the Restructuring Effective Date shall be (i) the Option 1 Entitlement of such Scheme Creditor or (ii) if the aggregate amount of Option 1 Entitlement as elected by all Scheme Creditors (the “**Aggregate Option 1 Entitlement**”) exceeds 5% of the Aggregate Option 1 Allocation Amount (the “**Cash Maximum Amount**”), the Cash Maximum Amount multiplied by a quotient of (x) the Option 1 Entitlement of such Scheme Creditor and (y) the Aggregate Option 1 Entitlement, subject to allocation set forth in (3) below;
- (2) the aggregate Scheme Creditor Principal Amount of all Scheme Creditors that may be exchanged into the Senior Notes and/or Mandatory Convertible Bonds in Option 2 shall not exceed US\$2.0 billion, which may be adjusted upward by the Transaction Companies at their sole discretion (the “**Aggregate Option 2 Allocation Amount**”); the aggregate principal amount of Senior Notes and/or Mandatory Convertible Bonds that each Scheme Creditor will receive as Restructuring Consideration on the Restructuring Effective Date shall be (i) the Option 2 Entitlement of such Scheme Creditor or (ii) if the sum of (x) the aggregate amount of Option 2 Entitlement as elected by all Scheme Creditors and (y) the Aggregate Fallback Option 2 Entitlement (such sum, the “**Aggregate**

	<p>Option 2 Entitlement") exceeds 50% of the Aggregate Option 2 Allocation Amount (the "Senior Note and MCB Maximum Amount"), the Senior Note and MCB Maximum amount multiplied by a quotient of (x) the Option 2 Entitlement and Fallback Option 2 Entitlement of such Scheme Creditor and (y) the Aggregate Option 2 Entitlement, subject to allocation set forth in 3(b) below;</p> <p>(3) (a) to the extent the Aggregate Option 1 Entitlement exceeds the Cash Maximum Amount, any Scheme Creditor Claim that cannot be exchanged into cash due to any such excess amount with respect to each relevant Scheme Creditor, shall be allocated to Option 2 (the "Fallback Option 2 Entitlement," and the aggregate principal amount of such Fall Back Option 2 Entitlement of all Scheme Creditors, the "Aggregate Fallback Option 2 Entitlement"), subject to allocation in (3)(b) below; and</p> <p>(b) to the extent the Aggregate Option 2 Entitlement exceeds the Senior Note and MCB Maximum Amount, any Scheme Creditor Claim that cannot be exchanged into the Senior Notes and/or Mandatory Convertible Bonds shall be allocated to Option 3; and</p> <p>(4) Any Scheme Creditor that fails to submit its election of the Options by the stipulated deadline shall be deemed to have elected only Option 3 and shall be allocated Long Term Notes in a principal amount equal to its Scheme Creditor Principal Amount.</p>
<p>Exchange Rate</p>	<p>For purpose of calculation of Scheme Creditors' Claims and the Restructuring Consideration, US\$1 shall be translated at a fixed rate of 7.8 Hong Kong dollars.</p>
<p>Consent Fee</p>	<p>The Transaction Companies shall, in accordance with the terms of the RSA, pay or procure the payment of a consent fee (the "Consent Fee") to all Consenting Creditor in the form of a US dollar denominated senior notes with a tenor of four years (the "Consent Fee Notes") in an aggregate principal amount of US\$50.0 million. Each Consenting Creditor will be entitled to receive the Consent Fee Notes in a principal amount equal to a quotient of (1) its Scheme Creditor Principal Amount and (2) the total Scheme Creditor Principal Amount of all Consenting Creditors.</p>
<p>Conditions Precedent to the Restructuring Effective Date</p>	<p>The following conditions must be satisfied or waived prior to or at the occurrence of the Restructuring Effective Date:</p> <ol style="list-style-type: none"> (1) the obtaining of all relevant approvals or consents (including without limitation such approvals or consents that may be necessary or required from applicable government or regulatory authorities for the consummation of the Restructuring); (2) delivery of court order in respect of a scheme of arrangement; (3) the settlement in full of all professional fees associated with the Restructuring that the Transaction Companies are obligated to pay; (4) the issuance and publication of a public announcement on the website of the Hong Kong Stock Exchange by the Transaction Companies specifying the designated date for the Restructuring Effective Date; and (5) the satisfaction of each of the conditions precedent contained in the Scheme Document.

TERMS OF THE SENIOR NOTES

Capitalised terms used but not defined below will be defined in the trust deed governing the Senior Notes (“Senior Notes Trust Deed”), which shall substantially follow the meanings given to them in the Trust Deeds governing the Existing Notes.

Senior Notes Issuer	R&F Properties (HK) Company Limited
Original Issue Date	The Restructuring Effective Date
Original Issue Amount	The aggregate principal amount of the Senior Notes allocated to all Scheme Creditors in accordance with Scheme Creditors’ Election as set forth under “Restructuring Consideration” of this Term Sheet.
Tenor	6 years from the Restructuring Effective Date
Interest	<p>Interest on the Senior Notes shall start accruing on Restructuring Effective Date and be payable semi-annually in arrears on the outstanding principal amount of the Senior Notes at 3% per annum.</p> <p>For the first three years after the Restructuring Effective Date, interest on the Senior Notes may be paid either in cash or in kind, or a combination thereof, at the election of the Issuer. Starting from the fourth year after the Restructuring Effective Date, interest on the Senior Notes shall be paid entirely in cash.</p>
Ranking	Same as the Existing Notes.
New Notes Subsidiary Guarantors	Same as the Existing Notes, except for R&F HK and Palace View Investments Limited (軒景投資有限公司), which shall no longer be Subsidiary Guarantors (the “ New Notes Subsidiary Guarantors ”).
Security, Keepwell and EIPU	On the Original Issue Date, the existing security documents will be amended and/or supplemented and each of the Keepwell Deed and EIPU will be amended and restated, so that the Senior Notes will have the same benefit of such security documents, Keepwell Deed and EIPU as the Existing Notes.
Collateral	The Senior Notes shall be secured by first ranking security over the Capital Stock of Easy Tactic and the New Notes Subsidiary Guarantors.
Specified Assets Disposal	<p>On or prior to the Restructuring Effective Date, the Issuer shall designate an offshore bank account (the “Designated Account”) for depositing Allocation Amount. The Issuer shall promptly use its reasonable best endeavours to deposit into the Designated Account 60% of the Net Consideration from the Specified Assets (the “Allocation Amount”). The Issuer shall, whenever the Allocation Amount standing to the credit of the Designated Account exceeds US\$30.0 million (or the Dollar Equivalent thereof) (each, a “Trigger Date” and such amount on the Trigger Date being the “Trigger Amount”), promptly apply the Trigger Amount as at such Trigger Date towards repurchase and/or redemption of the Consent Fee Notes and the Senior Notes on a <i>pro rata</i> basis, and in any case shall ensure that within 60 days of the relevant Trigger Date (such 60-day period from the Trigger Date, the “Allocation Period”), the Trigger Amount has been applied in full towards repurchase and/or redemption of the Consent Fee Notes and the Senior Notes.</p> <p>Any Allocation Amount remaining in the Designated Account at the end of the relevant Allocation Period shall be rolled over and be included as part of the aggregate amount standing to the credit of the Designated Account for the purposes of determining whether a subsequent Trigger Date has occurred.</p>

	<p>“Net Consideration” means the Net Proceeds that is attributable to and actually received by the R&F HK, directly or indirectly through its Restricted Subsidiaries.</p> <p>“Net Proceeds” means:</p> <p>(1) <i>with respect to any disposal of the [REDACTED] [REDACTED] [REDACTED]</i>, the consideration received in cash from such disposal, net of:</p> <p>(a) all construction-related costs arising or expected to arise from future development of the [REDACTED];</p> <p>(b) any fees, costs, taxes and operating expenses due or expected to be due in relation to any [REDACTED];</p> <p>(c) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such disposal of the [REDACTED] [REDACTED] without regard to the consolidated results of operations of the Company and the Restricted Subsidiaries, taken as a whole;</p> <p>(d) repayments in relation to any Indebtedness or any other obligation outstanding at the time of such disposal of the [REDACTED] [REDACTED] that either (x) is secured by a Lien on the property or assets sold under such disposal of the [REDACTED] or (y) is required to be paid as a result of such sale; and</p> <p>(e) appropriate amounts to be provided by the Company or any Restricted Subsidiary as a reserve against any liabilities associated with such disposal of the [REDACTED], including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such disposal of the [REDACTED];</p> <p>(2) <i>with respect to [REDACTED]</i>, any dividend that is attributable to and actually received in cash by the R&F HK, directly or indirectly through its Restricted Subsidiaries holding [REDACTED].</p> <p>“Specified Asset” means:</p> <p>(a) [REDACTED] [REDACTED]</p> <p>(b) [REDACTED]</p>
Restrictive Covenants	Substantially the same as those in the Trust Deeds governing the Existing Notes.
Mandatory Redemption	If the Issuer fails to obtain the requisite approval for issuance of the Mandatory Convertible Bonds, it shall redeem, on or prior to the 5th anniversary date of the Restructuring Effective Date, Senior Notes in an aggregate principal amount of no less than 25% of the Original Issue Amount (which shall be reduced by the amount of Senior Notes redeemed or repurchased on or prior to such mandatory redemption date, including but not limited to any amount of the Senior Notes redeemed or repurchased in accordance with the terms of the Senior Notes set forth herein) at a redemption price equal to 100% of the principal amount of the Senior Notes redeemed, plus any accrued and unpaid interest on such Senior Notes so redeemed.
Repurchase of Senior Notes Upon	Same as the Existing Notes, except that the minimum holding threshold of the Permitted Holders in paragraph (b) of the “Change of Control” definition in the Trust Deeds shall be reduced from 50.1% to 30.0%.

a Change of Control Triggering Event	
Redemption for Taxation Reasons	Same as the Existing Notes.
Amendments with Consent of Holders	Same as the Existing Notes.
Events of Default	The events of default provision under the Senior Notes will substantially follow those in the Trust Deeds governing the Existing Notes, with adjustments necessary to reflect the current circumstances and operating environment of the Group. Such provision will carve out the defaults under other indebtedness whose occurrence is as a result of any default or event of default under certain excluded indebtedness, final judgments and orders for payment of money and certain insolvency proceedings in relation to such excluded indebtedness and any default or event of default arising from such excluded indebtedness.
Transfer Restrictions	The Senior Notes will not be registered under the Securities Act or any securities law of any state or other jurisdiction of the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act (“ Regulation S ”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.
Form, Denomination and Registration	The Senior Notes will be issued only in fully registered form and will be initially represented by one or more global notes. The minimum denomination of the Senior Notes will be US\$1 and integral multiples of US\$1 in excess thereof.
Listing	Application will be made by the Company for the listing and quotation of the Senior Notes on The Singapore Exchange Securities Trading Limited (“ SGX-ST ”) or another internationally recognized exchange. The Company will use reasonable best efforts to procure the listing of the Senior Notes on the SGX-ST as soon as practicable on or after the Restructuring Effective Date.
Governing law and Jurisdiction	Hong Kong law. Hong Kong courts are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Senior Notes and the trust deed governing the Senior Notes.

TERMS OF THE CONSENT FEE NOTES

*Capitalised terms used but not defined below will be defined in the trust deed governing the Consent Fee Notes (“**Consent Fee Notes Trust Deed**”), which shall substantially follow the meanings given to them in the Trust Deeds governing the Existing Notes.*

Consent Fee Notes Issuer	R&F Properties (HK) Company Limited
Original Issue Date	The Restructuring Effective Date
Original Issue Amount	US\$50.0 million
Tenor	4 years from the Restructuring Effective Date
Interest	<p>Interest on the Consent Fee Notes shall start accruing on Restructuring Effective Date and be payable semi-annually in arrears on the outstanding principal amount of the Consent Fee Notes at 3% per annum.</p> <p>For the first three years after Restructuring Effective Date, interest on the Consent Fee Notes may be paid either in cash or in kind, or a combination thereof, at the election of the Issuer. Starting from the fourth year after Restructuring Effective Date, interest on the Consent Fee Notes shall be paid entirely in cash.</p>
Ranking, New Notes Subsidiary Guarantors, Security, Keepwell and EIPU and Collateral	Same as the Senior Notes.
Specified Assets Disposal	Same as the Senior Notes.
Restrictive Covenants	Same as the Senior Notes.
Repurchase of Senior Notes Upon a Change of Control Triggering Event and Redemption for Taxation Reasons	Same as the Senior Notes.
Events of Default	Same as the Senior Notes.
Transfer Restrictions, Form, Denomination and Registration and Listing	Same as the Senior Notes.
Governing law and Jurisdiction	Same as Senior Notes.

TERMS OF THE LONG TERM NOTES

*Capitalised terms not defined below will be defined in the trust deed governing the Long Term Notes (“**Long Term Notes Trust Deed**”), which shall follow the meanings given to them in the Trust Deeds governing the Existing Notes.*

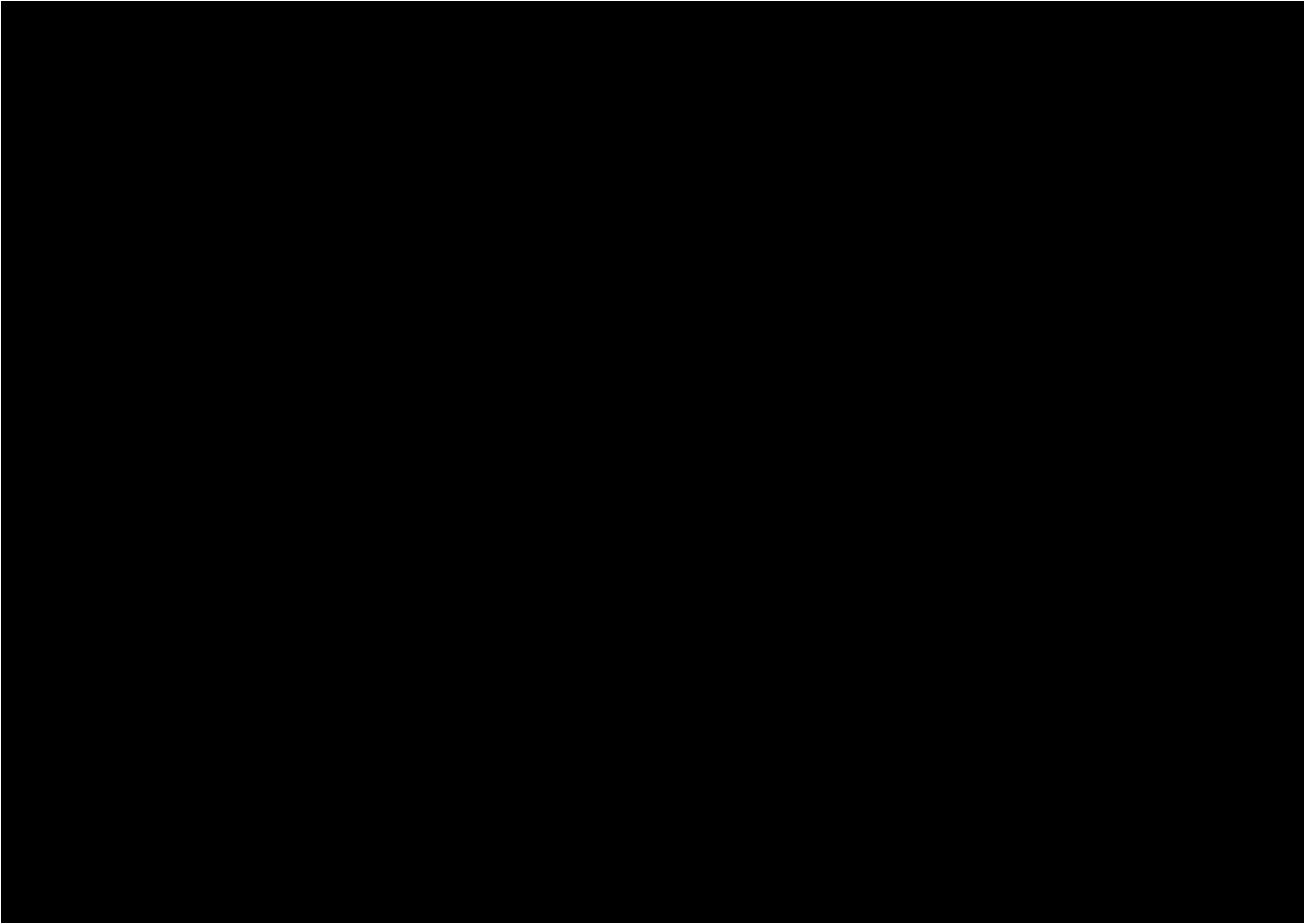
Long Term Notes Issuer	R&F Properties (HK) Company Limited
Original Issue Date	The Restructuring Effective Date
Original Issue Amount	The aggregate principal amount of the Long Term Notes allocated to all Scheme Creditors in accordance with Scheme Creditors’ Election as set forth under “Restructuring Consideration” of this Term Sheet.
Tenor	10 years from the Restructuring Effective Date
Interest	<p>Interest on the Long Term Notes shall start accruing on Restructuring Effective Date and be payable semi-annually in arrears on the outstanding principal amount of the Long Term Notes at 2% per annum.</p> <p>For the first six years after the Restructuring Effective Date, interest on the Long Term Notes may be paid either in cash or in kind, or a combination thereof, at the election of the Issuer. Starting from the seventh year after the Restructuring Effective Date, interest on the Long Term Notes shall be paid entirely in cash.</p>
Ranking, New Notes Subsidiary Guarantors, Security, Keepwell and EIPU and Collateral	Same as the Senior Notes.
Restrictive Covenants	Same as the Senior Notes.
Repurchase of Senior Notes Upon a Change of Control Triggering Event and Redemption for Taxation Reasons	Same as the Senior Notes.
Events of Default	Same as the Senior Notes.
Transfer Restrictions, Form, Denomination and Registration and Listing	Same as the Senior Notes.
Governing law and Jurisdiction	Same as the Senior Notes.

TERMS OF THE MANDATORY CONVERTIBLE BONDS

Mandatory Convertible Bonds Issuer	The Company
Original Issue Date	The Restructuring Effective Date
Original Issue Amount	The aggregate principal amount of the Mandatory Convertible Bonds allocated to all Scheme Creditors in accordance with Scheme Creditors' Election as set forth under "Restructuring Consideration" of this Term Sheet.
Tenor	2 years from the Restructuring Effective Date
Interest	Nil
New Notes Subsidiary Guarantors, Security, Keepwell and EIPU and Collateral	Same as the Senior Notes.
Voluntary Conversion and Mandatory Conversion	<p>Voluntary Conversion:</p> <p>Any holder of the Mandatory Convertible Bonds may elect to convert all or part of the Mandatory Convertible Bonds it holds into the Shares at the Conversion Price (i) within one month of the Restructuring Effective Date and (ii) on each date falling 6 months, 12 months and 18 months after the Restructuring Effective Date.</p> <p>Mandatory Conversion:</p> <p>Any Mandatory Convertible Bonds that are outstanding on the maturity date shall be mandatorily converted into the Shares at the Conversion Price.</p> <p>"Conversion Price" shall be 1.3 times the VWAP for the 30 trading days immediately preceding the date that is the first day of the period during which holders of Mandatory Convertible Bonds are permitted to deliver conversion notices for such conversion, subject to a minimum Conversion Price of HK\$4.0 per Share.</p> <p>"VWAP" means volume-weighted average price, a measurement that shows the average price of a security, adjusted for its volume.</p>
Adjustments to Conversion Price	The Conversion Price may be subject to the customary anti-dilution protections and adjustments (including against dividends and other distributions, consolidations, subdivisions, redesignations and reclassification of shares and certain other dilutive events) to be determined by the Company and specified in the Restructuring Documents.
Fixed Exchange Rate	On any conversion into the Shares, US\$1 in principal amount of the Mandatory Convertible Bonds shall be translated at a fixed rate of 7.8 Hong Kong dollars.
Transfer Restrictions, Form, Denomination and Registration and Listing	Same as the Senior Notes.

Amendments with Consent of the Holders	Same as the Senior Notes.
Condition Subsequent	Due compliance with any post-issuance filing obligations required by the China Securities Regulatory Commission (“CSRC”), including 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) published by CSRC on 17 February 2023, coming into effective on 31 March 2023.
Clearance	Same as the Senior Notes.
Governing Law and Jurisdiction	Same as the Senior Notes.

Appendix I



Appendix II

