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花樣年

FANTASIA

**Fantasia Holdings Group Co., Limited**  
**花樣年控股集團有限公司**

(於開曼群島註冊成立之有限公司)

(股份代號：1777)

**內幕消息**  
**境外債務重組之**  
**建議條款更新**

本公告乃由花樣年控股集團有限公司(「**本公司**」)根據證券及期貨條例(香港法例第571章)第XIVA部及香港聯合交易所有限公司證券上市規則(「**上市規則**」)第13.09條作出。

茲提述本公司先前日期為2023年1月13日、2023年11月30日、2024年1月2日、2024年2月1日、2024年2月29日、2024年3月15日、2024年4月1日、2024年4月15日、2024年4月21日、2024年4月24日及2024年4月26日的公告(「**該等公告**」)，內容有關建議重組(「**建議重組**」)其境外債務(「**境外債務**」)。除另有界定者外，本公告所用詞彙與該等公告所使用者具有相同涵義。

## 該建議

直至2023年，房地產行業持續面對嚴峻的經營環境，例如銷售額持續大幅下降、土地收購放緩以及資金環境仍然緊張。房地產行業的低迷，加上資本市場信心的持續削弱，進一步增加本公司業務的壓力。經考慮當前市況及本公司的業務表現及預測現金流量，並與境外債權人進行詳細及具建設性的討論後，本公司已與若干主要債券持有人就重組的修訂條款共同協定可行的計劃(「**該建議**」)。

預期該建議將透過香港的協議安排及／或為使該建議生效可能屬必要的任何司法權區的有關其他同等程序實施(「**該計劃**」)。

該建議概述於本公告所附的條款書(「**條款書**」)(已編纂敏感資料)。

根據該建議，本公司尋求重組：

- (1) 本公司發行總額為4,018百萬美元的美元優先票據(「**現有票據**」)的未償還本金(詳情載於條款書「**現有票據**」一節)；
- (2) 本公司全權酌情決定的本集團若干其他境外金融債務(「**額外現有債務工具**」，連同現有票據統稱為「**現有債務工具**」)；及

- (3) 現有債務工具直至2022年12月31日的所有應計及未付利息(任何違約利息或其他特別利息或費用除外)(總額為「**計劃債權人索償**」)。

## 重組代價

根據該建議，持有境外債務實質權益的各人士(「**計劃債權人**」)的重組代價(「**重組代價**」)將包括：

- (a) 根據債轉股(「定義見下文「**債轉股**」一段)將於建議重組的生效日期(「**重組生效日期**」)發行的本公司新發行普通股(「**計劃債權人股份**」)，惟有關計劃債權人有權選擇放棄接收其根據債轉股而有權獲得的計劃債權人股份(「**選擇退出權**」)，有關計劃債權人股份將按比例分配予其他計劃債權人。本公司將於適用計劃文件中納入及實施選擇退出權；及
- (b) 將於重組生效日期發行本金額相等於有關計劃債權人的計劃債權人索償的新美元計值優先票據(「**新票據**」)(減去根據債轉股轉換為計劃債權人股份的任何金額)。

## 控股股東支持

為支持該建議，本公司控股股東曾寶寶小姐(「**控股股東**」)將向本公司注資或促成注資6.0百萬美元作為股東貸款(「**新股東貸款**」)，為建議重組的費用及開支提供資金。

新股東貸款將為無抵押、無固定到期日且按合理利率(其將介乎年利率5%至8%)計息，且償付順序將次於現有票據及新票據，惟僅當本公司以現金支付應付新票據持有人的所有現金利息時，方可以現金支付新股東貸款利息。

此外，作為新票據的額外抵押，控股股東將於重組生效日期或之前將其所持有相當於本公司總股本10%的本公司股份（「託管股份」）存入中國境外的獨立託管賬戶。

倘若本公司未能(a)支付於2027年12月31日或之前的任何利息期內到期利息的現金部分或(b)於各到期日（或倘原到期日獲延長，則為經延長到期日）償還新票據批次A及B的本金，所有託管股份將由託管代理轉讓予新票據持有人，此舉將被視為悉數支付該利息期內到期利息的所有相關現金部分。為免生疑問，因到期日（或經延長到期日（如適用））未支付本金而產生或與之相關的違約事件，均不得因新票據持有人收到任何託管股份而被視為得到糾正或豁免。

## **新票據**

作為該建議的一部分，本公司將發行新票據，由八個批次組成，初始本金額相等於：計劃債權人索償減去根據債轉股轉換為計劃債權人股份的任何金額。新票據的到期日將為2026年12月31日至2031年6月30日，現金利息為4.5%至6.5%（倘利息以實物支付則為5.5%至7.5%）。本公司可選擇將首四個批次的新票據的到期日額外延長一年，惟需繳納0.3%的現金延期費。如果選擇延長到期日，則新票據的延期批次在延長期內的利率將增加2.0%。該等新票據現金利息的利率將介乎6.5%至7.25%。（倘利息以實物支付則為7.5%至8.25%）。

新票據的利息將每半年支付一次。對於首三個批次的新票據，2022年12月31日至2025年6月30日期間的利息將完全以實物支付。其餘批次的新票據，2022年12月31日至2026年12月31日期間的利息將完全以實物支付。

## **現有債務工具的妥協安排**

於重組生效日期，所有未償還的現有債務工具將於發行新票據後註銷。

## 債轉股

該建議將涉及將部分計劃債權人索償及控股股東提供的貸款轉換為本公司股份(「**債轉股**」)。

根據該建議，總額為13億美元的計劃債權人索償將按所有計劃債權人索償的比例轉換為計劃債權人股份。此外，控股股東會將截至2022年12月31日控股股東控制的公司向本集團作出的所有未償還股東貸款(連同應計利息，包括違約利息(如有))(統稱為「**股東貸款**」)交換為新發行的本公司普通股。

於債轉股完成後，預期控股股東將控制本公司股權總額約40%；及現有債務工具持有人將合共持有本公司股權總額約45.2%。

完成債轉股須待(其中包括)遵守適用法律及法規以及上市規則的規定，以及聯交所批准新股份上市及買賣後，方可作實。有關債轉股的進一步資料，包括將予發行的股份數目及該等股份的發行價將載於本公司將就根據債轉股發行新股份向股東尋求特別授權而刊發的通函內。

新票據將就境內項目出售所得款項淨額(「**出售所得款項淨額**」)設立現金清繳機制。本公司已確定日後有意出售的若干項目。建議重組設想，該等出售所得款項淨額的40%將用於新票據的現金清繳。

## 重組支持協議

於2024年4月29日，本公司與債券持有人小組（持有現有票據（定義見重組支持協議）未償還本金總額約32%）簽訂重組支持協議（「**重組支持協議**」）。

根據重組支持協議，自生效時間（定義見重組支持協議）起，各參與債權人（「**參與債權人**」）將應動用其於現有債務工具中的實益權益（或就額外債務工具而言，法定及實益權益），批准並全力支持建議重組及符合重組支持協議所載之條款及條件的計劃。

該等規定包括各參與債權人承諾，自有效時間（定義見重組支持協議）起不出售、轉讓或以其他方式處置參與債務的權益，除非該轉讓乃根據重組支持協議的轉讓規定進行。

除此之外，於生效時間及自生效時間起：

(a) 本公司承諾：

- (i) 於合理可行情況下盡快採取一切合理必要的行動，以支持、促進、實施或以其他方式落實建議重組（前提是有關行動於所有重大方面均符合條款書）；
- (ii) 以重組支持協議及條款書擬定的方式及於重大方面按照重組支持協議及條款書所載的條款及條件實施建議重組及安排；及
- (iii) 採取一切合理必要行動，以確保安排的生效日期發生在最後截止日期（定義見重組支持協議）或之前及建議重組於最後截止日期或之前獲全面實施；

(b) 各參與債權人承諾：

- (i) 竭盡一切商業上合理的努力，以支持、促進、實施或以其他方式落實建議重組（前提為該等行動符合條款書所載的條款）；

- (ii) 透過於任何適用時期內就其於記錄時作為委託人持有實益權益的所有參與債務(定義見重組支持協議)遞交任何委託書、指示、指引或同意,就其作為託管人持有實益權益的所有參與債務的未償還本金總額投票贊成安排;及
- (iii) 不反對安排或就此向相關法院提出的任何申請或以其他方式提起任何訴訟以反對或更改本公司就確認建議重組提交的任何重組文件,惟倘有關重組文件於重大方面不符合條款書所載的條款則除外。

## 同意費

本公司須根據重組支持協議條款以現金支付或促使支付同意費(「**同意費**」),金額相當於同意費截止日期(即2024年5月21日下午5時正(香港時間))計劃債權人所持支持該建議的合資格參與債務的未償還本金總額的0.1%。

## 加入重組支持協議

Morrow Sodali Limited(「**Morrow Sodali**」)作為資訊代理(「**資訊代理**」),將負責接收及處理加入函件、參與債務通知及轉讓通知(全部定義見重組支持協議)、分發加入代碼(定義見重組支持協議),並監督參與債權人持有現有債務工具的證據。自2024年4月29日(星期一)起,可於Morrow Sodali的交易網站(定義見重組支持協議)上查閱重組支持協議(包括條款書),詳情如下:

交易網址 :<https://projects.morrowsodali.com/fantasia>

加入網址 :<https://portal.morrowsodali.com/fantasia>

## 未加入2023年重組支持協議的債權人

作為現有債務工具委託人持有實益權益(或就額外債務工具而言,法定及實益權益)的人士(或向該人士提供意見或管理並代表其行事的任何基金或其他實體),而該人士並非日期為2023年1月13日的重組支持協議(「**2023年重組支持協議**」)的訂約方(包括該等未有填妥表格的人士),可透過加入網址就其所有現有債務工具(如適用)向資訊代理遞交一份有效填妥並簽署的加入函件及參與債務通知,作為額外參與債權人(定義見重組支持協議)加入重組支持協議(從而使其成為重組支持協議中的參與債務)。

## 加入2023年重組支持協議的債權人

凡透過加入網址有效填寫並簽署先前加入函件(定義見重組支持協議)及先前參與債務通知(定義見重組支持協議),有效加入2023年重組支持協議,並希望受重組支持協議約束的任何參與債權人,可透過加入網址修改其先前加入函件及先前參與債務通知:

- (a) 確認其根據先前加入函件及先前參與債務通知加入2023年重組支持協議應視為加入重組支持協議;及
- (b) 確認自先前參與債務通知之日起其參與債務的狀況是否有任何變化,並(如適用)更新其參與債務的最新狀況並提供其持有的最新證據。

**為免生疑,已有效加入2023年重組支持協議的參與債權人必須加入重組支持協議,方合資格獲得同意費。**

## 索取進一步資料

任何索取該建議進一步資料的要求可發送至本公司財務顧問、債券持有人小組之財務顧問或資訊代理：

華利安諾基(中國)有限公司，作為本公司重組財務顧問

香港中環金融街8號

國際金融中心二期1903-1907室

電郵：fantasia@HL.com

PJT Partners (HK) Limited，作為債券持有人小組之重組財務顧問

香港中環金融街8號

國際金融中心二期3609-11室

電郵：projectsling@pjtpartners.com

Morrow Sodali Limited，作為資訊代理

香港中環士丹利街28號29樓

電郵：fantasia@investor.morrowsodali.com

收件人：債務服務團隊

## 一般事項

本公司相信，考慮到中國物業市場的預期狀況及本公司的現金流量狀況，該建議為就境外債務作出妥協安排的合理實際解決方案。本公司認為，實施該建議將令本公司能夠全面改善其資本結構，讓本公司能夠更好地管理其營運，並為其持份者(包括其境外債權人)帶來長期價值。

該建議須待計劃債權人接受並在符合適用法律及法規以及上市規則的情況下，方可作實，且可能會或可能不會以其原先形式進行。股東及其他投資者於買賣本公司證券時務請審慎行事。如有疑問，股東和其他投資者務請向彼等各自的專業或財務顧問尋求專業意見。

本公司將適時另行刊發公告，以知會本公司股東及其他投資者有關該建議的任何重大發展情況。

承董事會命  
花樣年控股集團有限公司  
主席  
程建麗

香港，2024年4月29日

於本公告日期，本公司執行董事為程建麗女士、柯卡生先生、*Timothy David Gildner* 先生及林志鋒先生；本公司非執行董事為曾寶寶小姐及蘇波宇先生；及本公司獨立非執行董事為郭少牧先生、郭志成先生及馬有恒先生。

**Fantasia Holdings Group Co., Limited**

**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 “**Proposed Restructuring**”) of the Existing Notes (as defined below) and Additional Existing Indebtedness (as defined below) of Fantasia Holdings Group Co., Limited.*

*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 Proposed Restructuring. For the avoidance of doubt, this Term Sheet is indicative only, does not constitute an offer or agreement to complete the Proposed Restructuring and is not legally binding. This Term Sheet remains subject to (among other things) contract and nothing herein shall amend any term of the Existing Debt Instruments (as defined below) or constitute a waiver of any right of any party thereunder. Should the discussions between the parties result in a decision to proceed with the Proposed 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.*

*This Term Sheet will be appended to a restructuring support agreement (the “**RSA**”), which will be binding on Participating Creditors who choose to accede to its terms. The RSA requires, inter alia, that Participating Creditors give undertakings to support the Proposed Restructuring. Capitalised terms used herein and not defined in this Term Sheet shall have the same meanings ascribed to them in the RSA.*

*This 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 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 or any of the Subsidiary Guarantors (as defined below) in the United States.*

*This 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.*

<b>General Information</b>	
<b>Company</b>	Fantasia Holdings Group Co., Limited, an exempted company incorporated in the Cayman Islands with limited liability
<b>Group</b>	The Company and its subsidiaries
<b>Existing Notes</b>	All of the following notes are governed by New York law, issued by the Company and unconditionally and irrevocably guaranteed (the “ <b>Existing Guarantees</b> ”) by the Subsidiary Guarantors (collectively, the “ <b>Existing Notes</b> ”):

	<ul style="list-style-type: none"> <li>• The 7.375% senior notes due October 4, 2021 (the “<b>Existing October 2021 Notes</b>”) (ISIN: XS1498418224, common code: 149841822). As of the date of this Term Sheet, the aggregate principal amount of the Existing October 2021 Notes outstanding is US\$205,656,000;</li> <li>• The 6.95% senior notes due December 17, 2021 (the “<b>Existing First December 2021 Notes</b>”) (ISIN: XS2275739378, Common Code: 227573937). As of the date of this Term Sheet, the aggregate principal amount of the Existing First December 2021 Notes outstanding is US\$249,500,000;</li> <li>• The 15.0% senior notes due December 18, 2021 (the “<b>Existing Second December 2021 Notes</b>”) (ISIN: XS1924249680, Common Code: 192424968). As of the date of this Term Sheet, the aggregate principal amount of the Existing Second December 2021 Notes outstanding is US\$299,000,000;</li> <li>• The 14.5% senior notes due March 17, 2022 (the “<b>Existing March 2022 Notes</b>”) (ISIN: XS2321397734, common code: 232139773). As of the date of this Term Sheet, the aggregate principal amount of the Existing March 2022 Notes outstanding is US\$50,000,000;</li> <li>• The 11.75% senior notes due April 17, 2022 (the “<b>Existing April 2022 Notes</b>”) (ISIN: XS1982124239, Common Code: 198212423). As of the date of this Term Sheet, the aggregate principal amount of the Existing April 2022 Notes outstanding is US\$297,500,000;</li> <li>• The 7.95% senior notes due July 5, 2022 (the “<b>Existing July 2022 Notes</b>”) (ISIN: XS1640676885, common code: 164067688). As of the date of this Term Sheet, the aggregate principal amount of the Existing July 2022 Notes outstanding is US\$498,750,000;</li> <li>• The 12.25% senior notes due October 18, 2022 (the “<b>Existing October 2022 Notes</b>”) (ISIN: XS2030329358, Common Code: 203032935). As of the date of this Term Sheet, the aggregate principal amount of the Existing October 2022 Notes outstanding is US\$350,000,000;</li> <li>• The 10.875% senior notes due January 9, 2023 (the “<b>Existing January 2023 Notes</b>”) (ISIN: XS2100005771, Common Code: 210000577). As of the date of this Term Sheet, the aggregate principal amount of the Existing January 2023 Notes outstanding is US\$446,350,000;</li> <li>• The 11.875% senior notes due June 1, 2023 (the “<b>Existing June 2023 Notes</b>”) (ISIN: XS2181037230, Common Code: 218103723). As of the date of this Term Sheet, the aggregate</li> </ul>
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	<p>principal amount of the Existing June 2023 Notes outstanding is US\$542,000,000;</p> <ul style="list-style-type: none"> <li>• The 9.25% senior notes due July 28, 2023 (the “<b>Existing July 2023 Notes</b>”) (ISIN: XS2210790783, Common Code: 221079078). As of the date of this Term Sheet, the aggregate principal amount of the Existing July 2023 Notes outstanding is US\$343,500,000;</li> <li>• The 9.875% senior notes due October 19, 2023 (the “<b>Existing October 2023 Notes</b>”) (ISIN: XS2245488262, Common Code: 224548826). As of the date of this Term Sheet, the aggregate principal amount of the Existing October 2023 Notes outstanding is US\$304,500,000;</li> <li>• The 10.875% senior notes due March 2, 2024 (the “<b>Existing March 2024 Notes</b>”) (ISIN: XS2306557401, Common Code: 230655740). As of the date of this Term Sheet, the aggregate principal amount of the Existing March 2024 Notes outstanding is US\$231,600,000; and</li> <li>• The 14.5% senior notes due June 25, 2024 (the “<b>Existing June 2024 Notes</b>”) (ISIN: XS2355049797, common code: 235504979). As of the date of this Term Sheet, the aggregate principal amount of the Existing June 2024 Notes outstanding is US\$200,000,000.</li> </ul>
<b>Additional Existing Indebtedness</b>	The Company may elect in its sole discretion that certain other offshore financial indebtedness of the Company or any subsidiary of the Company (“ <b>Additional Existing Debt Instruments</b> ”, and together with the Existing Notes, the “ <b>Existing Debt Instruments</b> ”) is also subject to the Proposed Restructuring.
<b>Scheme Creditors (and each, a Scheme Creditor)</b>	<p>The persons holding beneficial interests (or, with respect to Additional Existing Debt Instruments, legal and beneficial interests) as principal in any of the Existing Debt Instruments as at the Record Time.</p> <p>“<b>Record Time</b>” means the time designated by the Company for the determination of the claims of the Scheme Creditors for the purposes of voting at the meetings of the creditors of the Company whose claims against the Company are (or will be) the subject of the Schemes to vote on the Schemes convened pursuant to orders of the court(s) (and any adjournment of such meetings).</p>
<b>Ad Hoc Group</b>	The ad hoc group of holders of the Existing Notes or investment managers or investment advisors to certain holders of the Existing Notes as constituted from time to time who are advised by the Ad Hoc Group’s advisors and which members, as of the date of this Term Sheet, are listed in Schedule 1.

<p><b>Term Sheet Governing Law</b></p>	<p>This Term Sheet will be governed by, and construed in accordance with, the laws of Hong Kong.</p> <p>The courts of Hong Kong shall have exclusive jurisdiction to settle any disputes that may arise out of, or in connection with, this Term Sheet.</p>
<p><b>Proposed New Money</b></p>	
<p><b>New Money</b></p>	<p>Ms. Zeng Jie Baby (“<b>Controlling Shareholder</b>”) and/or other parties (as the case may be) shall, directly or indirectly, inject or procure an injection of US\$6,000,000 (“<b>New Money</b>”) as shareholder loan (“<b>New Shareholder Loan</b>”) into the Company to fund the Fees and Expenses, <i>provided</i> that (i) US\$3,000,000 of the New Money shall be paid into an independent escrow account outside the PRC (“<b>New Money Escrow</b>”) on the date on which the sealed copy of each order of the relevant Court sanctioning the Scheme(s) is filed with the applicable registrar of companies, which New Money shall be released from escrow to the Controlling Shareholder if RED does not occur on or prior to the Longstop Date, and (ii) the remaining US\$3,000,000 of the New Money shall be paid on or prior to the RED, <i>provided further</i> that all documents relating to the New Money Escrow shall be in form and substance reasonably satisfactory to the AHG.</p> <p>The New Shareholder Loan shall be unsecured with no fixed maturity date and at reasonable interest rate (which shall be within the range of 5% to 8% per annum), and shall be subordinated to the Existing Notes and the New Notes, provided that interest may be paid on the New Shareholder Loan in cash only if the Company has paid in cash all cash interest due to the holders of the New Notes.</p>
<p><b>Proposed Restructuring of the Existing Debt Instruments</b></p>	
<p><b>Proposed Restructuring</b></p>	<p>The Proposed Restructuring is expected to involve a compromise of all claims against (among others) the Company, the Subsidiary Guarantors and their respective subsidiaries, shareholders, officers, directors, advisors, representatives and office-holders under or in connection with the Existing Debt Instruments, the Existing Guarantees, the indentures governing the Existing Notes (the “<b>Existing Notes Indentures</b>”) and the finance documents governing the Additional Existing Debt Instruments in exchange for the Restructuring Consideration (as defined below) in accordance with the terms of the composite documents to be circulated by the Company to the Scheme Creditors in relation to the Schemes (which will include (among other things) an explanatory statement and the terms of the Schemes (the “<b>Scheme Documents</b>”)).</p> <p>The Company plans to implement the Proposed Restructuring through court sanctioned scheme(s) of arrangement, or parallel schemes of arrangement in Hong Kong, the Cayman Islands and/or other applicable jurisdictions (the “<b>Schemes</b>”). The Schemes will be governed by the law</p>

	of, and subject to the exclusive jurisdiction of the court of, the applicable jurisdiction of the court that will sanction the same.
<b>Support for Restructuring</b>	<p>Subject to the Limitations (as defined below) and the terms of the RSA, the Company and each Participating Creditor intend to, with respect to the Existing Debt Instruments:</p> <p>(a) assist, cooperate and take all steps as may be necessary or desirable to implement or consummate the Proposed Restructuring in a timely manner (including entering into the RSA to be negotiated, agreed, executed and delivered by the Company and each Original Participating Noteholder as soon as reasonably practicable, which is to be circulated to all holders of the Existing Debt Instruments);</p> <p>(b) not take, encourage, assist or support (or procure that any other person takes, encourages, assists or supports) any action which would, or would reasonably be expected to, breach or be inconsistent with this Term Sheet taken as a whole, or delay, impede or prevent the implementation or consummation of the Proposed Restructuring;</p> <p>(c) in the case of:</p> <ul style="list-style-type: none"> <li>(i) the Company, procure that each member of the Group does the same in respect of (a) and (b) above; and</li> <li>(ii) each Participating Creditor, use reasonable endeavours to procure that any of its affiliates and/or funds which holds any Existing Debt Instrument does the same in respect of (a) and (b) above;</li> </ul> <p>(d) not solicit, encourage, discuss, facilitate, consent to or enter into any proposal or transaction for the acquisition of or financial restructuring with respect to the Existing Debt Instruments other than the Proposed Restructuring;</p> <p>(e) in the case of each Participating Creditor, provide reasonable assistance to the Company or any subsidiary of the Company (in each case, at the Company’s cost) in defending against any adverse action taken by another creditor which may delay, impede or prevent the implementation or consummation of the Proposed Restructuring, including: (i) confirming that such Participating Creditor supports the Proposed Restructuring; and (ii) preparing and filing any submission or appearing at any court proceeding which is reasonably requested by the Company and is necessary or desirable to support, facilitate, implement, consummate or otherwise give effect to the Proposed Restructuring; and</p> <p>(f) negotiate and enter into a customary “Mutual Release Deed”, which will become binding and effective on the RED.</p>
<b>Limitations</b>	Nothing in this Term Sheet shall:

	<p>(a) require either the Company or any Participating Creditor (or any of their, and/or their respective managers' or investment advisors', respective affiliates or funds) to take any action which would breach any legal or regulatory requirement beyond their control or any order or direction of any relevant court or governmental body and which impediment cannot be avoided or removed by taking reasonable steps;</p> <p>(b) restrict, or attempt to restrict, any officer of the Company or its subsidiaries from complying with any legal or fiduciary duty or obligation to commence insolvency proceedings in respect of that entity;</p> <p>(c) require the Company or any Participating Creditor (or any of their, and/or their respective managers' or investment advisors', respective affiliates or funds) to make any payment or incur or take any action that would result in it incurring any out-of-pocket expense or other financial obligation (unless such payments, expenses and/or other obligations are prefunded by the Company in accordance with the RSA) or to incur any liability to any person other than as expressly set out in this Term Sheet; or</p> <p>(d) require the Company or any Participating Creditor (or any of their, and/or their respective managers' or investment advisors', respective affiliates or funds) to make any additional equity or debt financing available to any member of the Group other than as expressly set out in this Term Sheet.</p>
<p><b>Scheme Creditors' Claims</b></p>	<p>The sum of:</p> <p>(a) the outstanding principal amount of the Existing Notes held by the Scheme Creditors at the Record Time;</p> <p>(b) the outstanding principal amount of the Additional Existing Debt Instruments held by the Scheme Creditors at the Record Time; and</p> <p>(c) all accrued and unpaid interest (except for any default interest or other special interests or fees) on such Existing Debt Instruments up to December 31, 2022</p> <p>(together in aggregate, the "<b>Scheme Creditors' Claims</b>").</p> <p>On and from the RED, Scheme Creditors will release all claims against (among others) the Company, the Subsidiary Guarantors and their respective subsidiaries, shareholders, officers, directors, advisors, representatives and office-holders under or in connection with the Existing Debt Instruments, the Existing Guarantees, the Existing Notes Indentures and the finance documents governing the Additional Existing Debt Instruments in exchange for the Restructuring Consideration in accordance with the terms of the Scheme Documents.</p>



	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Notwithstanding the foregoing, the Controlling Shareholder shall legally and beneficially hold, directly or indirectly, approximately 40% of the total equity interest in the Company immediately after the Proposed Restructuring; and the holders of the Existing Debt Instruments (for the avoidance of doubt, excluding the Company or any of its Affiliates) shall hold, in aggregate, approximately 45.2% of the total equity interest in the Company immediately after the Proposed Restructuring, <i>provided</i> that the holders of the Existing Debt Instruments shall not enter into any agreements or arrangement which will result in such holders being regarded as “acting in concert” for the purposes of the Hong Kong Code on Takeovers and Mergers.</p> <p>The consummation of the Debt to Equity Swap will be subject to, among others, the applicable requirements of the Rules (“<b>Listing Rules</b>”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“<b>Stock Exchange</b>”) and the Stock Exchange’s approvals for the listing of and permission to deal in the New Shares.</p>
<p><b>Restructuring Consideration</b></p>	<p>The Restructuring Consideration for each Scheme Creditor will comprise:</p> <p>(a) The Scheme Creditor Shares issued and allocated to such Scheme Creditor pursuant to the Debt to Equity Swap, <i>provided</i> that such Scheme Creditor shall have the option to waive the receipt of the Scheme Creditor Shares to which it is entitled pursuant to the Debt to Equity Swap (the “<b>Opt-out Option</b>”), with such Scheme Creditor Shares being allocated to the other Scheme Creditors on a <i>pro rata</i> basis. The Company shall include and give effect to the Opt-out Option in the applicable Scheme Documents; and</p> <p>(b) New Notes (pro-rated among the eight tranches of the New Notes) in an aggregate principal amount equal to the Scheme Creditors’ Claims of such Scheme Creditor, minus any amount converted into Scheme Creditor Shares pursuant to the Debt to Equity Swap, to be issued on the RED.</p>

<p><b>Conditions Precedent</b></p>	<p>Each of the following are to be steps on, or conditions precedent to, the RED:</p> <ul style="list-style-type: none"> <li>(a) provision of the New Money to the Company to fund the Fees and Expenses;</li> <li>(b) the establishment of the Controlling Shareholder Shares Escrow (as defined below) and the deposit of the Escrow Shares (as defined below) by the Controlling Shareholder;</li> <li>(c) the delivery by the relevant members of the Group of corporate authorisations in respect of the Proposed Restructuring and their entry into the Scheme Documents to which they are a party;</li> <li>(d) the obtaining of all relevant regulatory approvals or other consents (including, without limitation, delivery of relevant court orders in respect of the Schemes, shareholders' approval in relation to the Debt to Equity Swap, and the Stock Exchange's approvals for the listing of and permission to deal in the New Shares);</li> <li>(e) the settlement in full of all Fees and Expenses and professional fees payable either before or at the time of the closing of any transaction in relation to the Existing Debt Instruments, under contracts or other arrangements entered into by the Company with financial or legal advisers or other professional parties for their services rendered in relation to the Proposed Restructuring;</li> <li>(f) the appointment of the AHG Director (as defined below), provided that the candidate(s) for such directorship has been nominated at least one month prior to the RED;</li> <li>(g) the receipt of approval in principle for the listing of any Interim Instruments (as defined below) and the New Notes;</li> <li>(h) compliance by the Company with the terms of this Term Sheet in all material aspects; and</li> <li>(i) the satisfaction of each of the other conditions precedent contained in the Scheme Documents.</li> </ul>
<p><b>Restructuring Effective Date</b></p>	<p>The Restructuring Effective Date (the "<b>RED</b>"), shall occur as soon as reasonably practicable and within five Business Days of the Conditions Precedent being satisfied or waived, unless extended in accordance with the terms of the Scheme Documents.</p> <p>On the RED,</p> <ul style="list-style-type: none"> <li>(a) New Shares shall have been issued by the Company in accordance with the terms of the Debt to Equity Swap, <i>provided</i> that, if such New Shares cannot be issued by the RED because the Company has not received approvals therefor from the Stock Exchange (despite having used its best efforts), (i) such other interim form of instruments ("<b>Interim Instruments</b>") shall have</li> </ul>

	<p>been issued by the Company to the Scheme Creditors, <i>provided</i> that, to the extent applicable, among other terms to be agreed between the Company and the Ad Hoc Group, the Interim Instruments shall (A) be quoted on Bloomberg; (B) have an ISIN; (C) be listed on the Singapore Exchange Securities Trading Limited (“SGX”) or another internationally recognised exchange; (D) be UCITS eligible and (E) not be subject to any lock-up or other transfer restrictions (other than those required under applicable securities laws); and (ii) the Company shall use its best efforts to procure all necessary approvals from the Stock Exchange for the issuance and listing of and permission to deal in the New Shares as soon as practicable thereafter, and in any event, no later than 12 months from the RED;</p> <p>(b) The New Notes shall be issued by the Company in accordance with the terms of the Scheme Documents; and</p> <p>(c) the Existing Debt Instruments shall be cancelled and the Existing Guarantees shall be terminated and released.</p>
<p><b>Fees and Expenses</b></p>	<p><b>Consent Fee:</b> The Company shall pay or procure the payment of a consent fee in cash in an amount equal to 0.1% of the aggregate outstanding principal amount of the Eligible Participating Debt held by each Participating Creditor as at the Consent Fee Deadline in accordance with the terms of the RSA.</p> <p><b>AHG Work Fee:</b> The AHG Work Fee is to be paid to the Ad Hoc Group in accordance with the terms set out in the fee letter to be entered into between the Ad Hoc Group and the Company.</p> <p><b>AHG Advisors Fee:</b> All fees, costs and expenses incurred by each advisor of the Ad Hoc Group are to be paid to such advisor in accordance with the terms set out in the relevant fee letter(s) entered into between such advisor and the Company.</p> <p>The aggregate amount of Fees and Expenses, comprising the Consent Fee, the AHG Work Fee and the AHG Advisors Fee, shall be US\$21,000,000.</p>
<p><b>Compromise of Existing Debt Instruments</b></p>	<p>On the RED, all outstanding Existing Debt Instruments shall be cancelled upon the issuance of the New Notes.</p>
<p>██████████</p>	<p>The Company shall share and consult with either (i) if prior to the RED, the Ad Hoc Group, or (ii) if on or after the RED, the AHG Director (or if there is no AHG Director at such time, the INEDs) all proposals from third parties relating to the restructuring and/or settlement of certain debt owed to ██████████, and shall obtain (i) if prior to the RED, written approval from the Ad Hoc Group, or (ii) if on or after the RED, written approval from the AHG Director</p>

	<p>(or if there is no AHG Director at such time, at least a majority of the INEDs) prior to entering into any agreements relating to the restructuring and/or settlement of the [REDACTED], provided that the Ad Hoc Group holds at least 25% of the aggregate principal amount of the Existing Notes outstanding as of the date of the execution of such agreements, if such date is prior to the RED.</p> <p>Notwithstanding the foregoing, if any proposal referred above contains material non-public information (“<b>Confidential Proposal</b>”), the Company shall disclose such Confidential Proposal to the advisors of the Ad Hoc Group instead of the Ad Hoc Group, except with respect to any member of the Ad Hoc Group that has expressly agreed (in writing) to receive such Confidential Proposal.</p>
<p><b>Principal Terms of the New Notes</b></p> <p><i>Terms not defined herein have the meanings set forth in the indentures governing the New Notes (the “<b>New Notes Indentures</b>”), which shall largely follow the meanings given to them in the Existing Notes Indentures, it being understood and agreed that the terms of the New Notes Indentures other than those expressly specified below are subject to negotiation and may differ from those in the Existing Notes Indentures.</i></p>	
<p><b>Company</b></p>	<p>Fantasia Holdings Group Co., Limited, an exempted company incorporated in the Cayman Islands with limited liability</p>
<p><b>Original Issue Date</b></p>	<p>The RED</p>
<p><b>New Notes</b></p>	<p>The New Notes shall comprise eight tranches as follows, with an aggregate original principal amount equal to the Scheme Creditors’ Claims minus any amount converted into Scheme Creditor Shares pursuant to the Debt to Equity Swap (the “<b>New Notes Aggregate Amount</b>”):</p> <ol style="list-style-type: none"> <li>1. <u>Tranche A</u>: The original principal amount shall be US\$200.0 million;</li> <li>2. <u>Tranche B</u>: The original principal amount shall be US\$200.0 million;</li> <li>3. <u>Tranche C</u>: The original principal amount shall be US\$300.0 million;</li> <li>4. <u>Tranche D</u>: The original principal amount shall be US\$400.0 million;</li> <li>5. <u>Tranche E</u>: The original principal amount shall be US\$500.0 million;</li> <li>6. <u>Tranche F</u>: The original principal amount shall be US\$500.0 million;</li> <li>7. <u>Tranche G</u>: The original principal amount shall be 50% of the difference between the New Notes Aggregate Amount and the sum of the original principal amounts of Tranches A, B, C, D, E and F; and</li> </ol>

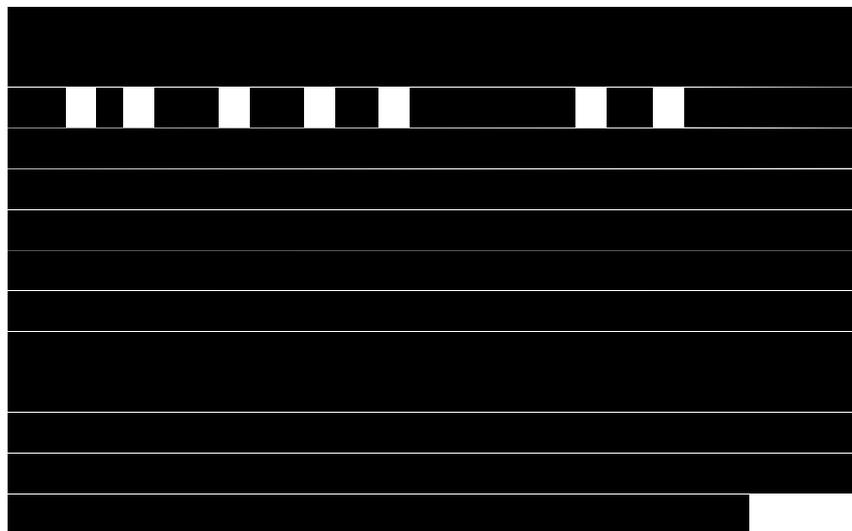
	8. <u>Tranche H</u> : The original principal amount shall be the same as the original principal amount of Tranche G.
<b>Maturity</b>	<ol style="list-style-type: none"> <li>1. <u>Tranche A</u>: December 31, 2026, <i>provided</i> that the Company may, at its sole discretion, extend the maturity date to December 31, 2027 by paying an extension fee equal to 0.3% of the principal amount of such series of notes outstanding as of 5 business days prior to December 31, 2026;</li> <li>2. <u>Tranche B</u>: December 31, 2027, <i>provided</i> that the Company may, at its sole discretion, extend the maturity date to December 31, 2028 by paying an extension fee equal to 0.3% of the principal amount of such series of notes outstanding as of 5 business days prior to December 31, 2027;</li> <li>3. <u>Tranche C</u>: December 31, 2028, <i>provided</i> that the Company may, at its sole discretion, extend the maturity date to December 31, 2029 by paying an extension fee equal to 0.3% of the principal amount of such series of notes outstanding as of 5 business days prior to December 31, 2028;</li> <li>4. <u>Tranche D</u>: June 30, 2029, <i>provided</i> that the Company may, at its sole discretion, extend the maturity date to June 30, 2030 by paying an extension fee equal to 0.3% of the principal amount of such series of notes outstanding as of 5 business days prior to June 30, 2029;</li> <li>5. <u>Tranche E</u>: December 31, 2029;</li> <li>6. <u>Tranche F</u>: June 30, 2030;</li> <li>7. <u>Tranche G</u>: December 31, 2030; and</li> <li>8. <u>Tranche H</u>: June 30, 2031.</li> </ol> <p>The outstanding principal amount of each tranche shall be repaid on maturity, together with any accrued but unpaid cash interest.</p>
<b>Interest</b>	<p>Interest on the outstanding principal amount of the New Notes shall accrue from December 31, 2022 at the following rates:</p> <ul style="list-style-type: none"> <li>• Tranche A: 4.5% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 5.5% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind), <i>provided</i> that in the event that maturity is extended in accordance with the section entitled “Maturity” above, 6.5% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 7.5% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind) between the original maturity date and the extended maturity date;</li> <li>• Tranche B: 4.75% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 5.75% per</li> </ul>

	<p>annum (if any portion of interest with respect to the relevant interest payment period is paid in kind), <i>provided</i> that in the event that maturity is extended in accordance with the section entitled “Maturity” above, 6.75% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 7.75% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind) between the original maturity date and the extended maturity date;</p> <ul style="list-style-type: none"> <li>• Tranche C: 5.0% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 6.0% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind), <i>provided</i> that in the event that maturity is extended in accordance with the section entitled “Maturity” above, 7.0% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 8.0% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind) between the original maturity date and the extended maturity date;</li> <li>• Tranche D: 5.25% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 6.25% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind), <i>provided</i> that in the event that maturity is extended in accordance with the section entitled “Maturity” above, 7.25% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 8.25% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind) between the original maturity date and the extended maturity date;</li> <li>• Tranche E: 5.5% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 6.5% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind);</li> <li>• Tranche F: 5.75% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 6.75% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind);</li> <li>• Tranche G: 6.0% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 7.0% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind); and</li> </ul>
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	<ul style="list-style-type: none"> <li>• Tranche H: 6.5% per annum (if all interest with respect to the relevant interest payment period is paid in cash) or 7.5% per annum (if any portion of interest with respect to the relevant interest payment period is paid in kind).</li> </ul> <p>Interest on the New Notes shall be payable semi-annually in arrears, in the following manner:</p> <ul style="list-style-type: none"> <li>• With respect to Tranches A, B and C: <ul style="list-style-type: none"> <li>○ From December 31, 2022 to June 30, 2025: in kind only;</li> <li>○ From July 1, 2025 to December 31, 2025: interest in an amount equal to at least 0.3% of the outstanding principal amount of each such tranche of the New Notes in cash, with the remaining portion of interest in cash or in kind, at the election of the Company;</li> <li>○ From January 1, 2026 to December 31, 2026: interest in an amount equal to at least 0.5% per annum of the outstanding principal amount of each such tranche of the New Notes in cash, with the remaining portion of interest in cash or in kind, at the election of the Company;</li> <li>○ From January 1, 2027 to December 31, 2027: interest in an amount equal to at least 4.0% per annum of the outstanding principal amount of each such tranche of the New Notes in cash, with the remaining portion of interest in cash or in kind, at the election of the Company; and</li> <li>○ Starting from January 1, 2028 onwards: entirely in cash.</li> </ul> </li> <li>• With respect to Tranches D, E, F, G and H: <ul style="list-style-type: none"> <li>○ From December 31, 2022 to December 31, 2026: in kind only;</li> <li>○ From January 1, 2027 to December 31, 2027: interest in an amount equal to at least 4.0% per annum of the outstanding principal amount of each such tranche of the New Notes in cash, with the remaining portion of interest in cash or in kind, at the election of the Company; and</li> <li>○ Starting from January 1, 2028 onwards: entirely in cash.</li> </ul> </li> </ul>
<b>New Guarantees</b>	Guarantees of the New Notes by the Subsidiary Guarantors.
<b>Collateral</b>	<ul style="list-style-type: none"> <li>• The same collateral securing the Existing Notes; plus</li> <li>• Pledge over the Escrow Shares</li> </ul>
<b>Escrow of Controlling Shareholder Shares</b>	The Controlling Shareholder shall deposit Company shares it holds equal to 10% of the Company’s total equity on or prior to the RED (the "Escrow Shares") into an independent escrow account outside of the PRC (“Controlling Shareholder Shares Escrow”).

	<p>All documents relating to the Controlling Shares Escrow shall be in form and substance reasonably satisfactory to the Ad Hoc Group.</p> <p>If the Company fails to (a) pay the cash portion of interest due for any interest period ending on or before December 31, 2027 or (b) repay the principal of Tranches A and B on the respective maturity dates (or extended maturity dates, if the original maturity dates are extended) (each a “<b>Non-Payment Event</b>”):</p> <ol style="list-style-type: none"> <li>(1) Upon the occurrence of a Non-Payment Event (as confirmed by the trustee of the New Notes), all Escrow Shares be transferred by the escrow agent to the holders of the New Notes without further permission or instruction by the Company.</li> <li>(2) Any event of default arising from or in connection with a non-payment of cash interest due on any New Notes shall deemed to be cured and waived and all relevant cash portion of interest due during such interest period shall be deemed fully paid upon the receipt of the relevant Escrow Shares by holders of the New Notes. For the avoidance of doubt, no event of default arising from or in connection with a non-payment of principal at maturity (or extended maturity, as applicable) shall be deemed to be cured or waived as a result of the receipt of any Escrow Shares.</li> </ol> <p>If no Non-Payment Event has occurred, upon payment of the cash portion of interest due for the interest period ending on December 31, 2027:</p> <ol style="list-style-type: none"> <li>(1) the share pledge over the Escrow Shares shall be released; and</li> <li>(2) the Escrow Shares shall be transferred by the escrow agent to the Controlling Shareholder.</li> </ol>
<b>Information Rights</b>	<p>The Company shall file with the Trustee and furnish to the Holders upon request, quarterly updates on the onshore restructuring progress, to the extent that such disclosure is not prohibited by applicable law or regulations or relevant judicial or governmental authorities or confidentiality provisions entered into in good faith (provided that if such disclosure would be so prohibited because it contains material non-public information, the Company shall publicly disclose promptly such material non-public information and file with the Trustee and furnish to the Holders upon request such quarterly updates), during the two year period after the Original Issue Date. To the extent such disclosure is filed with the Trustee, the Trustee shall, upon written request of any Holder or owner of book-entry interests in the New Notes, furnish such disclosure to such Holder or owner.</p>
<b>Cash Sweep</b>	<p>Upon consummation of the sale of any asset listed in Schedule 2 (“<b>Specified Asset Sale</b>”), an amount equal to 40% of the Net Consideration shall be used for the repayment and/or repurchase of the</p>

New Notes (the “Cash Sweep”). The Company shall consummate a Cash Sweep within 90 days after each Specified Asset Sale (subject to the proviso in the following paragraph). For the avoidance of doubt, any Specified Asset Sale consummated prior to the RED shall also be subject to the Cash Sweep.



At any time an amount equal to 40% of the Net Consideration of any Specified Asset Sale has not been used for the Cash Sweep, the Company shall be prohibited from (i) using the Net Consideration for any purpose other than those required by applicable laws, rules or regulations, government policies or implementation or other governmental measures; and (ii) making dividends and certain other types of Restricted Payments and Permitted Investments (each as defined in the New Notes Indentures) to be agreed between the Company and the Ad Hoc Group and included in the New Notes Indentures.

The Company shall consummate the sales of the assets listed in Schedule 2 as soon as commercially practicable.

All New Notes thus repurchased shall be cancelled as soon as reasonably practicable.

“**Net Consideration**” means, with respect to any Specified Asset Sale, the consideration of such Specified Asset Sale, net of:

- (1) brokerage commissions and other fees and expenses (including fees and expenses of professional parties) related to such Specified Asset Sale;
- (2) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of such Specified Asset Sale without regard to the consolidated results of operations of the Company and its subsidiaries, taken as a whole;
- (3) payments made to repay indebtedness or any other obligation outstanding at the time of such Specified Asset Sale that is owed to a Person other than the Company or an Affiliate of the

	<p>Company and either (x) is secured by a lien on the property or assets sold or (y) is required to be paid as a result of such sale; and</p> <p>(4) appropriate amounts to be provided by the Company or any subsidiary as a reserve against any liabilities associated with such Specified Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Specified Asset Sale.</p> <p>The Company will use best efforts to provide a list of all financial indebtedness exceeding US\$1 million and other obligations exceeding US\$5 million as of December 31, 2023 that will be required to be paid as a result of Specified Asset Sales to the financial and legal advisors of the Ad Hoc Group by June 30, 2024, and in any event will provide such a list to the financial and legal advisors of the Ad Hoc Group by the earlier of (1) September 30, 2024, or (2) the convening hearing date of any Scheme.</p> <p>The Company undertakes, from the date of this Term Sheet to the RED, not to (i) secure or agree to secure any indebtedness or other obligation on any asset listed in Schedule 2 or (ii) pay or agree to pay any indebtedness or other obligation as a result of the sale of any asset listed in Schedule 2, unless such indebtedness or other obligation (and the security thereof or the payment thereof, as applicable) (i) is incurred (and, in the case of the security thereof, granted, and in the case of the payment thereof, agreed to) in good faith in connection with the construction or operation of such asset, or (ii) arises (A) by operation of law, rule or regulation or (B) despite the Company’s best efforts, from governmental policy or implementation or other governmental measure. The New Notes Indentures will contain a substantially similar covenant with respect to the period on and after the RED, subject to exceptions and carveouts to be agreed.</p>
<p><b>Colour Life Shares</b></p>	<p>As soon as reasonably practicable after the shares of Colour Life Services Group Co., Limited held by the Company (the “<b>Colour Life Shares</b>”) are no longer encumbered or in dispute [REDACTED], the Company shall deposit such Colour Life Shares into an offshore independent escrow account (“<b>Colour Life Escrow</b>”), <i>provided</i> that (a) all documents relating to Colour Life Escrow shall be in form and substance reasonably satisfactory to the Ad Hoc Group; and (b) the Company shall retain voting rights with respect to such Colour Life Shares and shall have full discretion over sale, transfer or other disposal of such Colour Life Shares.</p>

	<p>The Company shall use (i) dividends from the Colour Life Shares and (ii) Net Colour Life Share Consideration to repay, repurchase or redeem the New Notes, after deducting the following amounts:</p> <ul style="list-style-type: none"> <li>(a) the Group’s offshore operating expenses, subject to a cap of US\$3,000,000 per fiscal year,</li> <li>(b) Fees and Expenses settled or to be settled on or prior to RED, subject to an aggregate cap of US\$3,000,000, and</li> <li>(c) any other reasonable fees and expenses incurred in connection with the maintenance of the Colour Life Escrow.</li> </ul> <p>“<b>Net Colour Life Share Consideration</b>” means the consideration from disposal of the Colour Life Shares that is actually received by the Company, directly or indirectly, net of:</p> <ul style="list-style-type: none"> <li>(a) fees and expenses (including fees and expenses of professional parties) incurred in connection with disposal of Colour Life Shares; and</li> <li>(b) provisions for all taxes (whether or not such taxes will actually be paid or are payable) as a result of disposal of Colour Life Shares without regard to the consolidated results of operations of the Group, taken as a whole.</li> </ul>
<p><b>Governance</b></p>	<p>The members of the Ad Hoc Group collectively holding at least 25% of the aggregate principal amount of the Existing Notes outstanding as of the date of such nomination shall be entitled to nominate one non-executive director (who shall satisfy all Listing Rules requirements for such directorship and be subject to the duties of the directors at law and under the Listing Rules) (the “<b>AHG Director</b>”) to the board of the Company on or prior to the RED, subject to board approval. The Company shall use reasonable endeavours to procure the appointment of the individual nominated by the Ad Hoc Group as the AHG Director. The Company shall pay customary remuneration to the AHG Director.</p> <p>The Company will appoint or maintain an independent non-executive director that meets the independence requirements under the Listing Rules to chair the audit committee by the RED.</p> <p>So long as any of the New Notes remains outstanding, for as long as the Common Stock of the Company is listed on the Stock Exchange, the Company shall file with the Trustee and furnish to the Holders upon request:</p> <ul style="list-style-type: none"> <li>(a) as soon as they are available, but in any event within 120 calendar days (or any longer period for the publication of audited annual financial statements of companies listed on the Main Board of the Stock Exchange as may be stipulated by the Stock Exchange) after the end of each fiscal year of the Company ending on or after December 31, 2022, copies of its financial</li> </ul>

statements (on a consolidated basis and in English) in respect of such fiscal year (including a statement of income, balance sheet and cash flow statement for such fiscal year and the preceding fiscal year), prepared in accordance with generally accepted accounting principles (“GAAP”); and

- (b) as soon as they are available, but in any event within 90 calendar days (or any longer period for the publication of semi-annual financial statements of companies listed on the Main Board of the Stock Exchange as may be stipulated by the Stock Exchange) after the end of the second fiscal quarter of each fiscal year of the Company ending on or after December 31, 2023, copies of its financial statements (on a consolidated basis and in English) in respect of such semi-annual period (including a statement of income, balance sheet and cash flow statement for such semi-annual period and (i) for the statement of income and cash flow statement, the corresponding semi-annual period in the preceding fiscal year and (ii) for the balance sheet, as of the end of the preceding fiscal year), prepared in accordance with GAAP.

If the financial statements set forth in clauses (a) or (b) of the immediately preceding paragraph are not audited (in the case of clause (a)) or reviewed (in the case of clause (b)), the Company shall deliver an Officers’ Certificate accompanying such financial statements stating that such financial statements are true in all material respects and present fairly the Company’s financial position as of the end of, and the Company’s results of operations for, the relevant period. Notwithstanding the forgoing, failure to provide any such financial statements in accordance with clauses (a) and (b) of the immediately preceding paragraph shall not constitute an Event of Default if the relevant financial statements are filed with the Trustee and furnished to the Holders upon request within 90 days after the respective deadlines set forth in such clauses (a) and (b) above.

The Company shall, prior to or concurrently with providing any financial statements referred to in the immediately preceding two paragraphs to the Trustee and/or the Holders, publicly disclose such financial statements.

The three immediately preceding paragraphs are in addition to the covenants regarding the provision of financial statements and reports to be included in the New Notes Indentures, which shall be substantially similar to those in the Existing Notes Indentures.

To the extent any financial statements (and any accompanying audit or review report or Officer’s Certificate) are filed with the Trustee, the Trustee shall, upon written request of any Holder or owner of beneficial or book-entry interests in the New Notes, furnish such the same to such Holder or owner, *provided* that such request shall be made during normal

	business hours and satisfactory evidence of proof of such Holder’s or owner’s holdings shall be provided to the Trustee.
<b>Auditor</b>	<p>The Company will engage or continue to engage a Whitelist Auditor to audit its annual financial statements and review its semi-annual financial statements up to (and including) the audit of the fiscal year ending December 31, 2025.</p> <p>The “<b>Whitelist Auditor</b>” shall be any of the following auditors, or their respective affiliates or member firms:</p> <ul style="list-style-type: none"> <li>■ [REDACTED]</li> </ul> <p>After the engagement of a Whitelist Auditor, it will be an Event of Default if there is any recast or restatement of financials audited or reviewed by any prior non-Whitelist Auditor (other than those resulting from changes in accounting policies or principles) that results in a change greater than those specified below for any of the following ratios:</p> <ul style="list-style-type: none"> <li>(i) <u>Total Liabilities / Total Asset Ratio</u>: revised ratio under the recast or reinstatement is more than 7.5% higher than the ratio calculated using the financial statements audited or reviewed by any prior non-Whitelist Auditor;</li> <li>(ii) <u>Net Debt / Book Value Ratio</u>: revised ratio under the recast or reinstatement is more than 12.5% higher than the ratio calculated using the financial statements audited or reviewed by any prior non-Whitelist Auditor; or</li> <li>(iii) <u>Cash / Short-Term Debt Ratio</u>: revised ratio under the recast or reinstatement is more than 15% lower than the ratio calculated using the financial statements audited or reviewed by any prior non-Whitelist Auditor.</li> </ul> <p>These ratios shall be calculated as follows:</p> <ul style="list-style-type: none"> <li>(i) <u>Total Liabilities / Total Asset Ratio</u> = (total liabilities - contract liabilities) / (total asset - contract liabilities);</li> </ul>

	<p>(ii) <u>Net Debt / Book Value Ratio</u> = (total interest bearing debt - cash and cash equivalents) / net asset; and</p> <p>(iii) <u>Cash / Short-Term Debt Ratio</u> = unrestricted cash / short-term interest bearing debt,</p> <p><i>provided</i> that line items used in the above calculations shall be consistent with the financial statements prepared in accordance with GAAP.</p>
<b>Amendments with Consent of Holders</b>	The amendment provision under the New Notes will be similar to those in the Existing Notes, except that any modification, amendment or waiver requiring the consent of each Holder affected thereby (as set out in Section 9.02 of the Existing Notes Indentures) shall be amended to require the consent of the Holders of not less than 75% in aggregate principal amount of the outstanding New Notes of the relevant tranche.
<b>Transfer Restrictions</b>	The New Notes and the New Guarantees will not be registered under the U.S. Securities Act of 1933, as amended (the “ <b>Securities Act</b> ”) 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 (“ <b>Regulation S</b> ”)) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The New Notes will be offered and sold only (i) in offshore transactions outside the U.S. in reliance on Regulation S or (ii) pursuant to another exemption.
<b>Form, Denomination and Registration</b>	The New Notes will be issued only in fully registered form and will be initially represented by one or more global certificates. The minimum denomination will be US\$1 and integral multiples of US\$1 in excess thereof.
<b>Listing</b>	<p>Application will be made by the Company for the listing and quotation of the New Notes on the SGX.</p> <p>Application will be made by the Company to the Stock Exchange for the listing of and permission to deal in the New Shares.</p>
<b>Governing Law</b>	The New Notes, the New Guarantees and the New Notes Indentures will be governed by and will be construed in accordance with the laws of the State of New York.
<b>Jurisdiction</b>	U.S. federal and New York state courts located in the Borough of Manhattan, The City of New York are to have non-exclusive jurisdiction to settle any disputes that may arise out of or in connection with the New Notes, the New Guarantees and the New Notes Indentures.





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