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SUNac 融創中國
SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

ONSHORE DEBT RESTRUCTURING

This announcement is made by Sunac China Holdings Limited (the “**Company**” or “**Sunac China**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

This announcement aims to provide shareholders of the Company, holders of securities and potential investors with information about the onshore corporate bond and supply chain asset-backed special plan (collectively, the “**Bonds**”) restructuring (the “**Onshore Debt Restructuring**”) of Sunac Real Estate Group Co., Ltd. (“**Sunac Real Estate**”, a wholly-owned subsidiary of the Company).

As stated in the announcements dated 14 November 2024 published by Sunac Real Estate on the websites of the Shanghai Stock Exchange and the Shenzhen Stock Exchange:

In view of the overall operating status of Sunac Real Estate, Sunac Real Estate preliminarily proposes a holistic debt restructuring plan for bondholders, offering four options including cash tender offer, payment via equity and/or equity economic income right, debt settlement with assets and full-amount long-term debt extension, with details set out below:

- (i) Cash tender offer: Sunac Real Estate proposes to effect repurchase by cash offer of the Bonds at a price estimated at 18% of their respective nominal values, and it is expected that the cumulative cash utilised for the repurchase will in aggregate not exceed RMB800 million. The maximum principal amount of the Bonds to be accepted under this option shall be approximately RMB4.4 billion, and the cash payment is expected to be made no later than 20 trading days after the approval at the bondholders’ meeting and the completion of the corresponding registration.

- (ii) Payment via equity and/or equity economic income right: Subject to the requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, Sunac China will issue a designated number of new shares to the special purpose trust (where Bonds of every RMB100 correspond to approximately 13.5 shares of Sunac China, with the total number of new shares expected to be approximately 400,000,000, to be determined pursuant to the final amount as selected by the bondholders). Sunac Real Estate undertakes to utilise domestic funds equivalent to the net proceeds (excluding intermediary fees and other expenses) from the realisation of the corresponding shares (which will take 12 months to complete) to repay the bondholders who have selected this option. The estimated principal amount of the Bonds to be accepted under this option shall be approximately RMB3.0 billion.
- (iii) Debt settlement with assets: Sunac Real Estate proposes to entrust the right of return on specific assets held by its indirectly holding subsidiary to a trust company, which will establish a service trust. Sunac Real Estate shall utilise its units in the service trust to exchange at a discount the Bonds held by bondholders who have selected this option (where Bonds with face value of every RMB100 will be exchanged for trust unit of RMB35). Upon receipt of service trust units, the bondholders will indirectly possess the right of return on specific assets of Sunac Real Estate's subsidiaries. The service trust is expected to subsist for a term of 4 years. The maximum principal amount of the Bonds to be accepted under this option shall be approximately RMB4.1 billion.
- (iv) Full-amount long-term debt extension: If the Onshore Debt Restructuring proceeds smoothly, Sunac Real Estate shall, following the completion of the aforementioned options, pay approximately 1% of the principal of the Bonds selected for a full-amount long-term debt extension in cash; the remaining principal will be extended to 9 June 2034. The principal portion of the Bonds selected for this option shall be paid in cash semi-annually starting from 9 December 2029, the interest portion (including any past due payable but unpaid interest, penalties and interest during the future extension period, if applicable) shall be uniformly reduced to around 1%. Interest during the historic and extension period will be accrued until and payable in cash on the final principal payment date, calculated on a simple interest basis without compounding.

The aforementioned debt restructuring plan options are preliminary proposals, which have yet to be finalised and there is a certain degree of uncertainty. Sunac Real Estate will progress the Onshore Debt Restructuring by convening meetings of bondholders.

Further information on the Onshore Debt Restructuring is published on the websites of the Shanghai Stock Exchange (<http://www.sse.com.cn>) and the Shenzhen Stock Exchange (<https://www.szse.cn>).

Further announcement(s) will be made by the Company as and when required in accordance with the relevant rules and regulations.

Completion of the Onshore Debt Restructuring is subject to the approval of the creditors' proposals and the fulfilment or waiver of the conditions precedent as set out therein. The Onshore Debt Restructuring may or may not proceed. Shareholders of the Company, holders of securities and potential investors are advised (i) not to rely solely on the information contained in this announcement and (ii) to exercise caution when dealing in the securities of the Company. When in doubt, shareholders of the Company, holders of securities and potential investors are advised to seek professional advice from professional or financial advisers.

By order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 14 November 2024

As at the date of this announcement, the executive directors of the Company are Mr. SUN Hongbin, Mr. WANG Mengde, Ms. MA Zhixia, Mr. TIAN Qiang, Mr. HUANG Shuping and Mr. SUN Kevin Zheyi; the non-executive director of the Company is Mr. LAM Wai Hon; and the independent non-executive directors of the Company are Mr. POON Chiu Kwok, Mr. ZHU Jia, Mr. MA Lishan and Mr. YUAN Zhigang.