

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement does not constitute an offer to sell or the 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 making the offer, its management, as well as financial statements. No public offer of securities is to be made by the Company in the United States.



KAISA GROUP HOLDINGS LTD.

佳兆業集團控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1638)

UPDATE ON THE RESTRUCTURING

This announcement is made by Kaisa Group Holdings Limited (“**Kaisa**” or the “**Company**”) pursuant to Rule 13.09(1) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Unless otherwise defined, capitalised terms in this announcement will have the same meaning as those defined in the Restructuring Support Agreement dated 10 January 2016 (as amended) (“**Amended RSA**”), a copy of which is attached to this announcement.

On 10 January 2016, the Company launched the Restructuring Support Agreement dated 10 January 2016 (“**RSA**”) in relation to the Proposed Restructuring, as set out in the Company’s announcements of 6 November 2015 and 24 December 2015. As at 17 February 2016, in excess of 58% of the aggregate outstanding principal amount of the Existing Notes and Existing Offshore Loans (“**Offshore Claims**”) had been submitted as Supporting Notes by Consenting Creditors.

* For identification purposes only

THE SUPPORT UNDERTAKING

The Company is pleased to announce that, following substantive negotiations with a group of creditors led by Farallon Capital Asia Pte Ltd and BFAM Partners (Hong Kong) Limited on certain modifications to the economic terms of the Restructuring, certain creditors (“**Initial Supporting Creditors**”) have entered into a Support Undertaking agreement dated 17 March 2016 (“**Support Undertaking**”) and delivered as “Supporting Notes” pursuant to the terms of the Support Undertaking (“**Supporting Notes**”) approximately 24% of the aggregate outstanding principal amount of the Existing Notes (“**Initial Supporting Notes**”).

The material terms of the Support Undertaking are substantially similar to the terms of the Amended RSA.

Under the Support Undertaking, among other things:

- (a) the Company undertakes to progress the Restructuring as soon as possible in accordance with the terms set out in the Support Undertaking;
- (b) each creditor (“**Supporting Creditor**”) who, from time to time, holds Initial Supporting Notes or Existing Notes that become Supporting Notes undertakes to:
 - (i) vote all Supporting Notes held by it at the Record Time in favour of the Scheme and not change or withdraw (or cause to be changed or withdrawn) such vote;
 - (ii) withhold from taking any Enforcement Action; and
 - (iii) not take any actions that are intended or likely to frustrate, obstruct or delay the approval or confirmation of the Scheme; and
- (c) each Supporting Creditor who holds Initial Supporting Notes at the Record Time will, subject to the terms of the Support Undertaking, receive a cash Consent Fee in an amount equal to 1.0% of its Initial Supporting Notes, payable on or before the date which is seven Business Days after the earlier of (i) the Restructuring Effectiveness Date or (ii) the Longstop Date.

As at the date of this announcement, in excess of 80% of the aggregate outstanding principal amount of the Offshore Claims have been submitted as Supporting Notes by Supporting Creditors under the Support Undertaking and by Consenting Creditors under the RSA.

AMENDMENT OF THE RSA

In connection with the execution of the Support Undertaking by the Company and the Initial Supporting Creditors, the Company and the Initial Consenting Creditors Majority have agreed to certain amendments to the RSA deemed necessary to align the terms of the RSA to those contained in the Support Undertaking, including modifications to the Restructuring Terms in Schedule 3 of the RSA and the Consent Fee which are further described below. A copy of the Amended RSA, comparing against the version of the RSA contained in the Company’s announcement dated 10 January 2016, is attached hereto as Appendix A.

Modifications to the Restructuring Terms

The primary changes to the Restructuring Terms comprise the following:

(a) Restructured CBs

In order to issue the Restructured CBs as previously contemplated in connection with the Proposed Restructuring, the Company would be required to, among other things:

- (i) procure a general meeting of its shareholders to pass all necessary resolutions to issue the Restructured CBs and to allot and issue new Common Shares upon exercise of the conversion rights attached to the Restructured CBs (“**Shareholder Approval**”); and
- (ii) obtain listing approval from the Hong Kong Stock Exchange for the trading of the new Common Shares to be issued upon conversion of the Restructured CBs on the Hong Kong Stock Exchange (“**Listing Approval**”).

The Company has been advised that while the Common Shares are suspended from trading, it is unlikely that Shareholder Approval and Listing Approval can be obtained. Consequently, the Restructuring Terms have been modified (as set out in the Amended RSA) such that on the Exchange Date, the Convertible Bonds will be exchanged for standard, non-convertible high-yield bonds (“**Mandatorily Exchangeable Bonds**”) that will be automatically exchanged into new convertible bonds (“**Exchange Convertible Bonds**”) upon the resumption of trading of the Common Shares on the Hong Kong Stock Exchange and satisfaction of the Mandatory Exchange Conditions, which include:

- (i) the Company procuring a general meeting of its shareholders to pass all necessary resolutions (“**Shareholder Resolutions**”) to issue the Exchange Convertible Bonds and to allot and issue new Common Shares upon the exercise of the conversion rights attached to the Exchange Convertible Bonds; and
- (ii) all necessary approvals in accordance with the relevant rules and regulations of the Hong Kong Stock Exchange, for the trading of the new Common Shares to be issued upon the conversion of the Exchange Convertible Bonds on the Hong Kong Stock Exchange.

The Mandatorily Exchangeable Bonds and the Exchange Convertible Bonds will have the same terms, with the exception of the conversion features which will only apply to the Exchange Convertible Bonds.

(b) Increase in Coupon Rates

Coupon rates on the New HY Notes, the Mandatorily Exchangeable Bonds and the Exchange Convertible Bonds have been increased as follows:

- (i) the PIK coupon in each relevant period has been increased by 0.56% per annum; and

- (ii) the cash component of the PIK toggle coupon in each relevant period has been increased by 0.61% per annum.

A detailed coupon schedule can be found in Clause 2.2(e) of Schedule 3 to the Amended RSA.

(c) CVR Swap Alternative

To accommodate Scheme Creditors who have expressed an interest in an alternative to the CVRs, a new option will be available to Scheme Creditors whereby they can elect to receive incremental New HY Notes in lieu of the CVRs. Summarized below are the options available to Scheme Creditors for the treatment of their Claims:

(i) Option 1 – New HY Notes and CVRs

- a. New HY Notes at an exchange ratio of 1.00000x (e.g., \$1,000.00 of Claims equal to \$1,000.00 in New HY Notes); and
- b. CVRs equal to 7.0% of the aggregate principal amount of New HY Notes issued to each Scheme Creditor.

(ii) Option 2 – New HY Notes Only

New HY Notes at an exchange ratio of 1.02598x (e.g., \$1,000.00 of Claims equal to \$1,025.98 in New HY Notes).

(iii) Option 3 – Mandatorily Exchangeable Bonds

Mandatorily Exchangeable Bonds at an exchange ratio of 1.00000x (e.g., \$1,000.00 of Claims equal to \$1,000.00 in Mandatorily Exchangeable Bonds, subject to the Cut-Back Mechanism).

A detailed description of the election options available to Scheme Creditors and the Cut-Back Mechanism can be found in Clause 2.1 of Schedule 3 to the Amended RSA.

Modifications to and Re-Opening of the Consent Fee

The Company is pleased to announce that each Consenting Creditor who:

- (a) validly submitted their Offshore Claims as Supporting Notes in accordance with the terms of the RSA (irrespective of when those Offshore Claims became Supporting Notes) before the time of this announcement; or
- (b) accedes to the Amended RSA and validly submits their Offshore Claims as Supporting Notes in accordance with the terms of the Amended RSA by no later than **11:59 P.M. on 23 MARCH 2016 (HONG KONG TIME)**;

and who holds such Supporting Notes (which will be deemed to be Fee Entitled Notes under the Amended RSA) at the Record Time will, subject to the terms of the Amended RSA, receive a cash Consent Fee in an amount equal to 1.0% of the aggregate principal amount of such Fee Entitled Notes, payable on or before the date which is seven Business Days after the earlier of (i) the Restructuring Effectiveness Date or (ii) the Longstop Date.

NEXT STEPS IN RELATION TO THE RESTRUCTURING

As detailed in the Company's announcement dated 24 December 2015, the Company intends to implement the Restructuring through inter-conditional schemes of arrangement in the Cayman Islands and Hong Kong ("**Schemes**"). A scheme of arrangement is a statutory mechanism which allows a company to reach a "compromise or arrangement" with its creditors, which if approved by the requisite majorities of each relevant class of creditors and sanctioned by the court, will, upon the court's orders being lodged with the relevant companies registrar, be binding on all of the company's creditors and the company.

The Company and its advisors are in the process of finalizing documentation in respect of the Schemes, including incorporating the various modifications to the Restructuring Terms outlined above, and anticipate filing applications with the Grand Court of the Cayman Islands and the High Court of Hong Kong on or before 29 March 2016 seeking leave to convene scheme meetings.

The Company will make further announcements regarding its progress on the Restructuring as and when appropriate.

By Order of the Board
KAISA GROUP HOLDINGS LTD.
Kwok Ying Shing
Chairman and Executive Director

17 March 2016

As at the date of this announcement, the executive Directors are Mr. Kwok Ying Shing, Mr. Sun Yuenan, Mr. Zheng Yi, Mr. Yu Jianqing, and Mr. Lei Fugui; the non-executive Director is Ms. Chen Shaohuan; and the independent non-executive Directors are Mr. Zhang Yizhao and Mr. Rao Yong.

APPENDIX A

Dated: 10 January 2016

RESTRUCTURING SUPPORT AGREEMENT

between

KAISA GROUP HOLDINGS LTD.

as the Company

and

CERTAIN SUBSIDIARIES OF THE COMPANY LISTED IN SCHEDULE 1 HERETO

as the Group Companies

and

THE INITIAL CONSENTING CREDITORS

Table of Contents

	Page
1. DEFINITIONS AND INTERPRETATION	1
2. PURPOSE OF THIS AGREEMENT.....	<u>1113</u>
3. EFFECTIVENESS OF THIS AGREEMENT	<u>1113</u>
4. CONSENT FEE	<u>1113</u>
5. RELATIONSHIP WITH OTHER DOCUMENTS	<u>1213</u>
6. PARTIES' RIGHTS AND OBLIGATIONS	<u>1213</u>
7. THE RESTRUCTURING	<u>1214</u>
8. UNDERTAKINGS.....	<u>1314</u>
9. ACCESSION	<u>1617</u>
10. TRANSFERS.....	<u>1618</u>
11. REPRESENTATIONS OF THE CONSENTING CREDITORS.....	<u>1820</u>
12. REPRESENTATIONS OF THE GROUP COMPANIES	<u>1920</u>
13. REPRESENTATIONS OF EACH PARTY	<u>1921</u>
14. ACKNOWLEDGEMENTS	<u>2021</u>
15. TERMINATION	<u>2022</u>
16. NOTICES.....	<u>2325</u>
17. PARTIAL INVALIDITY	<u>2527</u>
18. AMENDMENTS AND WAIVERS	<u>2527</u>
19. PUBLICITY	<u>2528</u>
20. PURCHASE OF EXISTING NOTES.....	<u>2628</u>
21. GOVERNING LAW	<u>2628</u>
22. ENFORCEMENT	<u>2628</u>
23. COUNTERPARTS	<u>2729</u>
SCHEDULE 1 THE GROUP COMPANIES	<u>2830</u>
SCHEDULE 2 THE INITIAL CONSENTING CREDITORS.....	<u>3133</u>
SCHEDULE 3 RESTRUCTURING TERMS	<u>3234</u>
SCHEDULE 4 ACCESSION DEED	<u>4555</u>
SCHEDULE 5 SUPPORTING NOTES NOTICE	<u>4960</u>
SCHEDULE 6 NOTICE OF TRANSFER.....	<u>5364</u>
SIGNATURE PAGES	<u>5566</u>

THIS AGREEMENT (the “**Agreement**”) is dated 10 January 2016 and made between:

- (1) **KAISA GROUP HOLDINGS LTD.**, a public company incorporated under the laws of the Cayman Islands with its head office and principal place of business at Room 3306, Kerry Center, Ren Min Nan Road, Luohu, Shenzhen, P.C. 518001 (the “**Company**”);
 - (2) **CERTAIN SUBSIDIARIES OF THE COMPANY** listed in Schedule 1 (*The Group Companies*) hereto (together with the Company, the “**Group Companies**”); and
 - (3) **THE INITIAL CONSENTING CREDITORS** (as defined herein),
- (together with any Additional Consenting Creditor, each a “**Party**”).

RECITALS:

- (A) The Company, the steering committee of an *ad hoc* group of holders of the Existing Notes and holders of the Existing Offshore Loans (each term as defined below) have agreed on the terms of a restructuring of the Company’s indebtedness and other obligations in respect of the Existing Notes and Existing Offshore Loans to be implemented pursuant to the Restructuring Documents.
- (B) The Parties have agreed to the terms of the Restructuring (as defined below) and agreed to enter into this Agreement in order to facilitate its implementation.

IT IS AGREED as follows:

1. *DEFINITIONS AND INTERPRETATION*

1.1 **Definitions**

In this Agreement:

“**2015 Convertible Bonds**” means the RMB 1,500,000,000 USD Settled 8% Convertible Bonds due 2015 issued by the Company pursuant to the 2015 Trust Deed.

“**2015 Global Certificate**” means the Global Certificate as defined in Schedule 2 of the 2015 Trust Deed.

“**2016 Global Notes**” means the Global Notes as defined in section 2.04(c) of the 2016 Indenture.

“**2017 Global Notes**” means the Global Notes as defined in section 2.04(c) of the 2017 Indenture.

“**2018 Global Notes**” means the Global Notes as defined in section 2.04(c) of the 2018 Indenture.

“**2019 Global Notes**” means the Global Notes as defined in section 2.04(c) of the 2019 Indenture.

“2020 Global Notes” means the Global Notes as defined in section 2.04(c) of the 2020 Indenture.

“2016 Indenture” means the indenture dated 22 April 2013 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2016 Notes were constituted.

“2017 Indenture” means the indenture dated 18 September 2012 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2017 Notes were constituted.

“2018 Indenture” means the indenture dated 19 March 2013 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2018 Notes were constituted.

“2019 Indenture” means the indenture dated 6 June 2014 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2019 Notes were constituted.

“2020 Indenture” means the indenture dated 8 January 2013 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2020 Notes were constituted.

“2015 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2015 Convertible Bonds.

“2016 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2016 Notes.

“2017 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2017 Notes.

“2018 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2018 Notes.

“2019 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2019 Notes.

“2020 Note Creditors” means the persons holding an economic or beneficial interest as principal in the 2020 Notes.

“2016 Notes” means the RMB1.8 billion 6.875% Senior Notes Due 2016 issued by the Company pursuant to the 2016 Indenture.

“2017 Notes” means the US\$250 million 12.875% Senior Notes Due 2017 issued by the Company pursuant to the 2017 Indenture.

“2018 Notes” means the US\$800 million 8.875% Senior Notes Due 2018 issued by the Company pursuant to the 2018 Indenture.

“2019 Notes” means the US\$400 million 9% Senior Notes Due 2019 issued by the Company pursuant to the 2019 Indenture.

“**2020 Notes**” means the US\$500 million 10.25% Senior Notes Due 2020 issued by the Company pursuant to the 2020 Indenture.

“**2015 Trust Deed**” means the indenture dated 20 December 2010 (as amended, supplemented or otherwise modified from time to time) pursuant to which the 2015 Convertible Bonds were constituted.

“**Accession Deed**” means a deed pursuant to which a person becomes a Party as an Additional Consenting Creditor, in the form set out in Schedule 4 (*Accession Deed*).

“**Account Holder**” means, in relation to a Note Creditor, a person who is recorded in the books and records of the relevant Clearing System as being the holder of a book-entry interest in the Existing Notes in an account with that Clearing System on behalf of that Note Creditor.

“**Additional Consenting Creditor**” means a Scheme Creditor (or any fund or other entity advising or managing a Scheme Creditor that is acting on behalf of that Scheme Creditor) which has agreed to be bound by the terms of this Agreement as a Consenting Creditor in accordance with Clause 9 (*Accession*), but excluding any Additional Consenting Creditor that has exercised its right to terminate this Agreement in accordance with its terms.

“**Advisers**” means, collectively, Kirkland & Ellis and Moelis & Company Asia Limited in their capacities as advisers to certain Note Creditors.

“**Blocking Creditor**” has the meaning given to it in paragraph (d)(i) of Clause 15.2 (*Individual Consenting Creditor Termination*).

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong, London, New York and the Cayman Islands.

“**BVI**” means the British Virgin Islands.

“**BVI Recognition Filing**” means a petition for recognition and/ or assistance of the Scheme under the BVI Insolvency Act 2003 and/ or at common law.

“**Cayman Scheme**” means a scheme of arrangement in respect of the Company under section 86 of the Companies Law.

“**Chapter 15 Filing**” means a petition for recognition of the Scheme under Chapter 15 of the U.S. Bankruptcy Code.

“**Chapter 15 Order**” means an order for the recognition of the Scheme as a ‘foreign non-main proceeding’ under Chapter 15 of the U.S. Bankruptcy Code.

“**Clearing Systems**” means each or all of DTC, Euroclear, Clearstream, the CMU and any other system designed for similar or analogous purposes, as appropriate.

“**Clearstream**” means Clearstream Banking, *société anonyme*.

“**CMU**” means the Central Moneymarkets Unit Service, the book-entry clearing system operated by the HKMA.

“**Common Security Agent**” means Citicorp International Limited.

“**Companies Act**” means the Companies Act 2006 as applicable in England and Wales.

“**Companies Law**” means the Companies Law (2013 Revision) as applicable in the Cayman Islands.

“**Companies Ordinance**” means the Companies Ordinance (Cap 622 of the laws of Hong Kong) as applicable in Hong Kong.

“**Consent Fee**” means with respect to a Consenting Creditor: ~~(a) — an amount equal to 1.0% of the aggregate principal amount of its Existing Notes and/or Existing Offshore Loans which become Supporting Notes during the Primary Period in accordance with the terms of this Agreement, and in which that Consenting Creditor (or any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) holds an economic or beneficial interest as principal at the RSA Deadline; and~~

~~(b) — an amount equal to 0.5% of the aggregate principal amount of its Existing Notes and/or Existing Offshore Loans which become Supporting Notes during the Secondary Period in accordance with the terms of this Agreement, and in which that Consenting Creditor (or any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) holds an economic or beneficial interest as principal at the RSA Deadline, Fee Entitled Notes which shall be payable in accordance with Clause 4.4 (Consent Fee); :~~

~~(a) Fee Entitled Notes in which such Consenting Creditor (or any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) holds an economic or beneficial interest as principal either at the Effective Date or the date upon which such Consenting Creditor, fund, or other entity has agreed to be bound by the terms of this Agreement as a Consenting Creditor in accordance with Clause 9.2, as the case may be, and continues to hold an economic or beneficial interest as principal at the Record Time;~~

~~(b) plus, any Fee Entitled Notes purchased or otherwise acquired by such Consenting Creditor (including, if applicable, any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) after the Effective Date or the date upon which such Consenting Creditor, fund, or other entity has agreed to be bound by the terms of this Agreement as a Consenting Creditor in accordance with Clause 9.2, as the case may be, which such Consenting Creditor (or any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) holds an economic or beneficial interest as principal at the Record Time; and~~

(c) less any Fee Entitled Notes sold, transferred, assigned or otherwise disposed of by such Consenting Creditor (including, if applicable, any fund or other entity advised or managed by that Consenting Creditor and on whose behalf that Consenting Creditor is acting) prior to the Record Time in accordance with Clause 10 (Transfers) of this Agreement;

which amount shall be payable in accordance with Clause 4.

“**Consenting Creditor**” means an Initial Consenting Creditor or an Additional Consenting Creditor, but excludes any Initial Consenting Creditor or Additional Consenting Creditor that has exercised its right to terminate this Agreement in accordance with its terms.

“**Consenting Creditors Majority**” means Consenting Creditors who hold ~~Existing~~Supporting Notes ~~and/or Existing Offshore Loans~~ with an aggregate principal amount of more than 50% of ~~Existing~~the Supporting Notes ~~and Existing Offshore Loans~~ held in aggregate by the Consenting Creditors.

“**Consenting Creditors Super-Majority**” means Consenting Creditors who hold ~~Existing~~Supporting Notes ~~and/or Existing Offshore Loans~~ with an aggregate principal amount of more than 75% of ~~Existing~~the Supporting Notes ~~and Existing Offshore Loans~~ held in aggregate by the Consenting Creditors.

“**Court**” means the Grand Court, and/or the HK High Court and/or the EW High Court (as appropriate).

“**DTC**” means the Depository Trust Company.

“**Effective Date**” means the date of this Agreement.

“**Encumbrance**” means any mortgage, pledge, lien, charge, or other security interest.

“**Enforcement Action**” means, in relation to any Existing Finance Document or any other right, power, privilege or remedy arising howsoever as matter of applicable law:

(a) the taking of any steps to enforce or require the enforcement of any security granted by any Group Company; and

(b) exercising any right, power, privilege or remedy in connection with the foregoing,

except that the following shall not constitute Enforcement Action:

(i) the taking of any action which is necessary to preserve the validity, existence, or priority of claims in respect of the Existing Notes and/or the Existing Offshore Loans before any court or government authority and the bringing, supporting, or joining of proceedings to prevent any loss of the right to bring, support, or join proceedings by reason of any applicable limitation periods;

- (ii) a Consenting Creditor (or any trustee or agent acting on its behalf) bringing Proceedings against any person solely for the purpose of:
 - (A) obtaining injunctive relief (or analogous remedy outside Hong Kong) to restrain any actual or putative breach of the Existing Finance Documents;
 - (B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages; or
 - (C) requesting judicial interpretation of any provision of the Existing Finance Documents; and
- (iii) a Consenting Creditor (or any trustee or agent acting on its behalf) taking any step that it determines is required to comply with its obligations under this Agreement.

“**English Scheme**” means a scheme of arrangement in respect of the Company under Part 26 of the Companies Act.

“**Euroclear**” means Euroclear Bank, S.A./N.V.

“**Event of Default**” means an event of default under and as defined in any of the Existing Indentures or the 2015 Trust Deed.

“**EW High Court**” means the High Court of Justice of England and Wales and any court capable of hearing appeals therefrom.

“**Existing Finance Documents**” means the Existing Notes, the Existing Indentures, the 2015 Trust Deed, the Existing Offshore Loans and all agreements and instruments relating to the Existing Offshore Loans, and the Intercreditor Agreement and any related guarantee or security documents.

“**Existing HSBC Loan**” means (a) the offshore loan facility dated 2 August 2013 between the Company and HSBC in an aggregate amount of HK\$ 400 million, (b) the loan facility dated 26 May 2014 between the Company and HSBC comprising two loans of (i) an aggregate principal amount of up to HK\$350 million and (ii) an aggregate principal amount of up to HK\$400 million, and (c) the 2002 ISDA Master Agreement dated 11 April 2013 between HSBC and the Company, its Schedules and Confirmations (all as amended and supplemented from time to time) and related documents.

“**Existing ICBC Loan**” means the offshore loan facility dated 2 September 2013 between the Company and Industrial and Commercial Bank of China (Asia) Limited in an aggregate amount of HK\$ 250 million.

“**Existing Indentures**” means, collectively, the 2016 Indenture, the 2017 Indenture, the 2018 Indenture, the 2019 Indenture and the 2020 Indenture.

“**Existing Notes**” means, collectively, the 2015 Convertible Bonds, the 2016 Notes, the 2017 Notes, the 2018 Notes, the 2019 Notes and the 2020 Notes.

“**Existing Offshore Loans**” means, collectively, the Existing HSBC Loan and the Existing ICBC Loan.

“**Fee Entitled Notes**” means, in relation to a Consenting Creditor, the aggregate principal amount of its Existing Notes and/or Existing Offshore Loans which became or become Supporting Notes by the RSA Deadline by way of submission of a properly completed and executed Accession Deed or Supporting Notes Notice in relation to such Existing Notes and/or Existing Offshore Loans.

“**Global Notes**” means, collectively, the 2016 Global Notes, the 2017 Global Notes, the 2018 Global Notes, the 2019 Global Notes and the 2020 Global Notes.

“**Grand Court**” means the Grand Court of the Cayman Islands and any court capable of hearing appeals therefrom.

“**HK High Court**” means the High Court of Hong Kong and any court capable of hearing appeals therefrom.

“**HKMA**” means the Hong Kong Monetary Authority.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Hong Kong Scheme**” means a scheme of arrangement in respect of the Company under sections 673 and 674 of the Companies Ordinance (Cap 622) of the laws of Hong Kong.

“**HSBC**” means The Hong Kong and Shanghai Banking Corporation Limited.

“**Information Agent**” means Lucid Issuer Services Limited or any other information agent acting on behalf of the Company in such capacity.

“**Initial Consenting Creditor**” means a Scheme Creditor (or any fund or other entity advising or managing a Scheme Creditor that is acting on behalf of that Scheme Creditor) that is an original party to this Agreement as listed in Schedule 2 (*The Initial Consenting Creditors*) and has provided a Supporting Notes Notice.

“**Initial Consenting Creditors Majority**” means Initial Consenting Creditors who hold ~~Existing~~Supporting Notes ~~and/or Existing Offshore Loans~~ with an aggregate principal amount of more than 50% of ~~Existing~~the Supporting Notes ~~and Existing Offshore Loans~~ held in aggregate by the Initial Consenting Creditors ~~as listed in Schedule 2.~~

“**Initial Consenting Creditors Super-Majority**” means Initial Consenting Creditors who hold ~~Existing~~Supporting Notes ~~and/or Existing Offshore Loans~~ with an aggregate principal amount of more than 75% of ~~Existing~~the Supporting Notes ~~and Existing Offshore Loans~~ held in aggregate by the Initial Consenting Creditors ~~as listed in Schedule 2.~~

“Initial Supporting Notes Notices” means the Supporting Notes Notices to be provided by the Initial Consenting Creditors pursuant to Clause 9.1 (*Accession*).

“Insolvency Event” means

- (a) a court of competent jurisdiction granting an order to commence any Insolvency Proceedings in relation to any Group Company other than during or in the context of a Scheme; and
- (b) a court of competent jurisdiction granting an order to appoint provisional liquidators in relation to any Group Company or making any other analogous orders to appoint any persons, officer or representative of the Court to take interim control of any Group Company and/or preserve the assets thereof except in the context of a Scheme.

“Insolvency Proceedings” means:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, bankruptcy, liquidation, dissolution, administration, receivership, administrative receivership, judicial composition, or reorganisation (by way of voluntary arrangement, scheme of arrangement, or otherwise) of any person except in the context of a Scheme;
- (b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, or other similar officer in respect of any person or any of its assets;
- (c) enforcement of any security over any assets of any person; or
- (d) any procedure or step in any jurisdiction analogous to those set out in paragraphs (a) to (c) above,

provided that each of the Scheme, the BVI Recognition Filing, the Chapter 15 Filing and the Chapter 15 Order (or any other steps taken pursuant to the Restructuring Documents) shall not constitute an Insolvency Proceeding.

“Intercreditor Agreement” means the intercreditor agreement dated 20 December 2010 (as amended, supplemented or otherwise modified from time to time) between, among others, the Company and the Common Security Agent.

“Longstop Date” means ~~30 June~~31 July 2016.

“Material Adverse Effect” means any event or circumstance occurring after the date of this Agreement, which has a material adverse effect on the business, assets, or financial condition of the Group Companies by reference to their condition and/or the circumstances existing at the date of this Agreement.

~~**“Mid-Point”** means 11.59pm on 24 January 2016.~~

“**Note Creditors**” means, collectively, the 2015 Note Creditors, the 2016 Note Creditors, the 2017 Note Creditors, the 2018 Note Creditors, the 2019 Note Creditors and the 2020 Note Creditors.

“**Permitted Transferee**” means any person to whom a Consenting Creditor transfers, sells, assigns, or otherwise disposes of any interest in some or all of its Supporting Notes in accordance with Clause 10 (*Transfers*) of this Agreement.

~~“**Primary Period**” means the period from the Effective Date to the Mid-Point.~~

“**Proceedings**” means any form of proceeding in any jurisdiction or forum including any process, suit, action demand, legal or Insolvency Proceedings, arbitration, alternative dispute resolution, adjudication, mediation, seizure, distraint, forfeiture, re-entry, execution or enforcement of judgment or any step taken for the purpose of creating or enforcing a lien or taking any other Enforcement Action.

“**Qualified Market-maker**” means an entity that:

- (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers, and sell to customers, Existing Notes (or enter with customers into long and short positions in respect of the Existing Notes), in its capacity as a dealer or market maker in the Existing Notes; and
- (b) is, in fact, regularly in the business of making a two-way market in the Existing Notes.

“**Record Time**” means the time designated by the Company for the determination of each Scheme Creditor’s Scheme claim for the purpose of voting on the Scheme.

“**Restructuring**” means the financial restructuring of the Existing Notes and Existing Offshore Loans in accordance with the Restructuring Terms and as implemented through the Restructuring Documents.

“**Restructuring Documents**” means, collectively, this Agreement, the Support Undertaking (for so long as it has not been terminated in accordance with its terms) and all material documents, agreements (including agreements with other Scheme Creditors), and instruments necessary or desirable to implement or consummate the Restructuring ~~in accordance with this Agreement, any agreements with other Scheme Creditors and the Restructuring Terms~~ (including, without limitation, the Scheme) in accordance with the Restructuring Terms, this Agreement and the Support Undertaking (for so long as it has not been terminated in accordance with its terms).

“**Restructuring Effective Effectiveness Date**” means the date on which ~~any of the Hong Kong Scheme, or the Cayman Scheme, or the English Scheme becomes legally binding and the Restructuring becomes~~ effective pursuant to as contemplated by the applicable law Scheme.

“**Restructuring Period**” means the period from and including the date of this Agreement to the Termination Date.

“**Restructuring Terms**” means the terms of the Restructuring set out in Schedule 3 (*Restructuring Terms*).

“**RSA Deadline**” means 11.59pm on 7 February ~~2016~~2016 or such later time and date as may be determined by the Company in its sole discretion and publicly announced.

“**Scheme**” means the Hong Kong Scheme and/or the Cayman Scheme and/or the English Scheme, in each case, to be proposed by the Company or a provisional liquidator on behalf of the Company to implement the Restructuring.

“**Scheme Creditors**” means the creditors of the Company whose claims against the Company are (or will be) the subject of the Scheme.

“**Scheme Meeting**” means the meeting of the Scheme Creditors to vote on the Scheme convened pursuant to an order of the Court (and any adjournment of such meeting).

~~“**Secondary Period**” means the period from immediately after the Mid Point to the RSA Deadline.~~
“**Scheme Sanction**” means the date of the delivery of a copy of the order of the relevant Court sanctioning the Scheme to the registrar of companies in each of the Cayman Islands and Hong Kong, and (to the extent a scheme of arrangement is being effected in the English courts) to the registrar of companies in England & Wales.

“**Subsidiary**” means, in relation to any person, any second person over which that first person has “control”, where “control” means either:

- (a) direct or indirect ownership of more than 50% of the voting or economic ownership of such second person; or
- (b) the ability (through any means) to influence or direct the composition of the board of directors or the day to day affairs of such second person, and

“**Subsidiaries**” shall be construed accordingly.

“**Support Undertaking**” means the Support Undertaking entered into between the Company, the Group Companies and the Supporting Creditors on or around 17 March 2016.

“**Supporting Creditors**” means those Scheme Creditors who have entered into the Support Undertaking as Supporting Creditors as defined thereunder.

“**Supporting Notes**” means, at any time, with respect to a Consenting Creditor, the aggregate amount of its claims against the Company (or, if applicable the claims of a Scheme Creditor which that Consenting Creditor advises or manages), with respect to:

- (a) the Existing Notes and/or Existing Offshore Loans held or controlled by that Consenting Creditor (or, if applicable, by a Scheme Creditor which it advises or manages) and specified in the relevant Initial Supporting Notes Notice (in respect

of an Initial Consenting Creditor) or the relevant Accession Deed (in respect of an Additional Consenting Creditor);

- (b) *plus* any other Existing Notes, including any additional Existing Notes purchased or otherwise acquired by it (or if applicable, by a Scheme Creditor which it advises or manages) after the date of its Initial Supporting Notes Notice or Accession Deed (as applicable), in respect of which it elects to deliver a Supporting Notes Notice to the Company;
- (c) *less* the aggregate amount of any Existing Notes and/or Existing Offshore Loans sold, transferred, assigned or otherwise disposed of by that Consenting Creditor (or, if applicable, by a Scheme Creditor which it advises or manages) in accordance with Clause 10 (*Transfers*) of this Agreement,

in each case, which shall include Existing Notes held or controlled by that Consenting Creditor (or, if applicable, by a Scheme Creditor which it advises or manages) or otherwise acquired by that Consenting Creditor's broker dealer business unit on its own account, but shall exclude: (i) any Existing Notes held in custody for a third party; (ii) any Existing Notes held or controlled by one or more of its proprietary trading desks when acting as a Qualified Market-maker; and (iii) any other Existing Notes held or controlled by it, including any Existing Notes purchased or otherwise acquired by it (or if applicable, by a Scheme Creditor which it advises or manages) after the date of its Initial Supporting Notes Notice or Accession Deed (as applicable), in respect of which it does not elect to deliver a Supporting Notes Notice to the Company.

“Supporting Notes Notice” means a notice substantially in the form set out in Schedule 5 (*Supporting Notes Notice*).

“Termination Date” means:

- (a) in respect of an individual Consenting Creditor, the date upon which this Agreement is terminated in accordance with Clause 15.2 (*Individual Consenting Creditor Termination*);
- (b) if not so terminated, in respect of all Parties, the date upon which this Agreement is terminated in accordance with Clause 15.1 (*Company Termination*) or 15.3 (*Automatic Termination*).

“Transfer” has the meaning given to it in Clause 10 (*Transfers*).

“Trustee” means Citicorp International Limited.

“U.S. Bankruptcy Court” means the United States Bankruptcy Court for the Southern District of New York or other appropriate forum in a case filed under Chapter 15 of the U.S. Bankruptcy Code.

1.2 Construction

- (a) The headings in this Agreement and the Schedules are for convenience only and shall not affect its or their construction or interpretation.
- (b) Unless the context otherwise requires:
 - (i) words denoting the singular shall include the plural and *vice versa*;
 - (ii) the masculine gender shall include the feminine gender and *vice versa*;
 - (iii) a “Clause”, “paragraph” or “Schedule” shall, subject to any contrary indication, be construed as a reference to a clause, paragraph or schedule, as the case may be, in or to, and form part of, this Agreement;
 - (iv) a reference to any enactment or treaty or provision of law shall include a reference to such enactment or provision as re-enacted, amended, or extended;
 - (v) the term “including” shall be deemed to mean “including without limitation”;
 - (vi) a reference to a “person” means any natural person, corporation, limited or unlimited liability company, trust, joint venture, association, corporation, partnership, governmental entity or other entity whatsoever;
 - (vii) a reference to an agreement or other document is a reference to such agreement or other document as amended, varied, supplemented, restated or novated or replaced from time to time;
 - (viii) “**HKS**” means the lawful currency for the time being of Hong Kong;
 - (ix) “**US\$**” means the lawful currency for the time being of the United States of America; and
 - (x) a reference to time shall be a reference to Hong Kong time.
- (c) References to the Parties include their respective transferees, permitted assignees, and/or the respective successors in title to substantially the whole of their respective undertakings.
- (d) Notwithstanding any term of this Agreement, the consent of any person that is not a Party is not required to rescind or vary this Agreement at any time.
- (e) Unless expressly stated herein, this Agreement shall be binding upon, inure solely to the benefit of, and be enforceable by, only the Parties, and nothing in this Agreement, expressly or implied, is intended to or shall confer upon any other person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

2. *PURPOSE OF THIS AGREEMENT*

This Agreement sets out the basis upon which the Parties shall facilitate the implementation of the Restructuring.

3. *EFFECTIVENESS OF THIS AGREEMENT*

This Agreement shall take effect on and from the Effective Date.

4. *CONSENT FEE*

4.1 Subject to Clause 4.2, the Company shall pay the Consent Fee on or before the date which is seven Business Days after the ~~date on which the Scheme becomes effective pursuant to its terms~~ earlier of: (a) the Restructuring Effectiveness Date or (b) the Longstop Date.

4.2 ~~The~~ Subject to the occurrence of the Scheme Sanction, the Consent Fee shall be payable to each Consenting Creditor who:

(a) ~~held Supporting~~ holds Fee Entitled Notes ~~on~~ as at the ~~RSA Deadline~~ Record Time; and

(b) has not, on or at any time prior to the date the Consent Fee is payable pursuant to Clause 4.1 or the Termination Date (whichever is earlier), breached any provision of this Agreement, in any material respect, unless the failure to comply is capable of remedy and is remedied within three Business Days of a notice by the Company to that Consenting Creditor.

4.3 No interest will accrue on or be payable with respect to any Consent Fee, and the Consent Fee shall, subject to the terms of this Agreement, be paid to the Consenting Creditor's bank account the details of which are set out under its signature on the signature page of this Agreement or in its Accession Deed (as applicable).

5. *RELATIONSHIP WITH OTHER DOCUMENTS*

5.1 Notwithstanding the terms of this Agreement, the Existing Finance Documents shall continue in full force and effect, subject to the terms of this Agreement.

5.2 This Agreement sets out the Parties' entire understanding of the Restructuring and supersedes any previous agreement between any of the Parties with respect to the Restructuring (and any such previous agreement shall cease to be binding on the relevant Parties) without prejudice to any of the Existing Finance Documents.

6. *PARTIES' RIGHTS AND OBLIGATIONS*

6.1 The obligations of each Party under this Agreement are several. Failure by a Party to perform its obligations under this Agreement does not affect the obligations of any other Party under this Agreement. No Party is responsible for the obligations of any other Party under this Agreement.

- 6.2 The rights of each Party under or in connection with this Agreement are separate and independent rights. A Party may separately enforce its rights under this Agreement.
- 6.3 The liability of the Consenting Creditors for their obligations under this Agreement shall be several and extend only to any loss or damage arising out of their own breaches of this Agreement and failure by a Consenting Creditor to perform its obligations under this Agreement shall not prejudice the rights or obligations of any other Consenting Creditor.

7. *THE RESTRUCTURING*

- 7.1 Each Party agrees (subject only to the terms and conditions of this Agreement) that, if the Termination Date has not occurred as it affects that Party, it shall use all reasonable endeavours to ensure that the Restructuring shall be implemented in accordance with the Restructuring Documents and this Agreement.

8. *UNDERTAKINGS*

Undertakings of the Group Companies

- 8.1 During the Restructuring Period, each of the Group Companies undertakes for the benefit of each of the other Parties, to:
- (a) progress the Restructuring as soon as possible in accordance with the terms set out in this Agreement;
 - (b) negotiate or prepare, in each case, in good faith, the Restructuring Documents so that the Restructuring may be implemented as soon as reasonably practicable;
 - (c) comply with the Restructuring Terms at the time and in the manner set out therein;
 - (d) convene all meetings of the shareholders and/or creditors of any of the Group Companies (as applicable) which are required to consider any resolutions and/or decisions in relation to the Restructuring;
 - (e) make all securities and other filings and announcements and publish all documents and make all submissions required in connection with the matters contemplated by this Agreement as and when necessary to comply with all applicable laws;
 - (f) use all reasonable endeavours to provide such assistance as may reasonably be required by the Consenting Creditors for the purpose of any regulatory or statutory clearance in connection with the Restructuring;
 - (g) promptly notify the Consenting Creditors if, since the date of this Agreement, there have been any changes, events, or circumstances which could adversely affect the business, operations, or condition (financial or otherwise) of the Group Companies such that any of the Group Companies may not be able to perform its material obligations in accordance with the Restructuring Terms;

- (h) execute and/or deliver, within any applicable time period, all documents, agreements, instructions, proxies, directions, and consents, and file all notices, and take such other action that is consistent with or reasonably required to implement the Restructuring;
- (i) other than pursuant to the Restructuring Terms, refrain from taking any steps to do or in relation to supporting or preparing:
 - (i) any proposed restructuring, reorganisation, arrangement, composition, or other restructuring procedure or issuance of equity or any right or instrument with an equivalent effect in respect of any Group Company;
 - (ii) any attempt by any person to acquire all or substantially all the assets of the Group Companies; and/or
 - (iii) any petitions, applications or other documents in relation to any Insolvency Proceedings;
- (j) upon request by the Advisers, promptly supply to the Advisers:
 - (i) the aggregate number of Consenting Creditors and the aggregate amount of Supporting Notes which together they represent;
 - (ii) the aggregate number of Supporting Creditors and the aggregate amount of "Supporting Notes" under and as defined in the Support Undertaking which together they represent;
 - (iii) ~~(ii)~~ updates regarding the status of the events set out in Clause 15.2 (Individual Consenting Creditor Termination) below and the corresponding clause(s) of the Support Undertaking; and
 - (iv) ~~(iii)~~ any other documents or information related to the Group Companies and its operations and finances reasonably requested by the Advisers;
- (k) to the extent necessary and/or desirable in connection with the Restructuring, use reasonable efforts to procure that each of its Subsidiaries take all necessary steps required to support, and refrain from taking any action which would conflict with, the Restructuring; and
- (l) comply with the terms of all applicable fee letters between the Advisers and the Company.

Consenting Creditor Undertakings

- 8.2 During the Restructuring Period, each Consenting Creditor undertakes, for the benefit of the Group Companies:
- (a) to the extent applicable, to comply with the Restructuring Terms at the time and in the manner set out therein;

- (b) to the extent reasonably required or requested by the Company to do so, to enter into negotiations in good faith in order to agree the terms of any Restructuring Documents in form and substance consistent with the Restructuring Terms, in order to implement and consummate the Restructuring (for the avoidance of doubt, no Consenting Creditor shall be required to receive any material non-public information in connection with such negotiations);
- (c) to vote and deliver within any applicable time periods any proxies, instructions, directions or consents in respect of all ~~Existing Supporting~~ Notes ~~and Existing Offshore Loans~~ held by it as at the Record Time, including (without limitation) voting all Supporting Notes held by it in favour of and taking all steps necessary to vote in favour of the Scheme, in such manner as is reasonably required to implement the Restructuring, and not to change or withdraw (or cause to be changed or withdrawn) such vote;
- (d) to provide reasonable support and assistance to the Company to prevent the occurrence of an Insolvency Event in respect of any Group Company including, without limitation, supporting any application, filing and/or petition to the courts of any jurisdiction in connection with the same, including but not limited to filing any evidence in support of the Company's opposition by a creditor seeking to commence any adverse action;
- (e) to the extent any Insolvency Event occurs in respect of any Group Company in any relevant jurisdiction, to use reasonable endeavours to implement the Restructuring through the relevant Insolvency Proceedings and ensure that the Restructuring (if implemented) is recognized in all relevant jurisdictions;
- (f) to notify the Company of any change (whether an increase or decrease) to the aggregate principal amount of its Supporting Notes as soon as reasonably practicable, and in any event within five Business Days from the date of such change, by sending a Supporting Notes Notice to the Company in the manner contemplated in the Supporting Notes Notice;
- (g) to withhold from taking any Enforcement Action;
- (h) not to object to the Scheme or any application to the Court in respect thereof or otherwise commence any proceeding to oppose or alter any of the Restructuring Documents filed by the Company in connection with the confirmation of the Restructuring, except to the extent that such Restructuring Documents are inconsistent with the Restructuring Terms (attached at Schedule 3);
- (i) not to take any actions inconsistent with, or that would delay approval or confirmation of, the Restructuring or any related documents, except to the extent that the Restructuring and any related documents are inconsistent with the Restructuring Terms; and

- (j) not to formulate, encourage, procure or otherwise support any alternative proposal or alternate offer for the implementation of the Restructuring or to otherwise engage in any discussions or take any action which would delay or impede any approvals for the Restructuring.

No Obligation

8.3 Nothing in this Agreement shall:

- (a) require any Party (or any director, manager, or officer of that Party) to take action which is prohibited or otherwise restricted by applicable law or regulation or direction of any governmental authority or to waive or forego the benefit of any applicable legal professional privilege;
- (b) restrict any director, manager, or officer of any of the Group Companies from complying with any legal obligations, legal and/or fiduciary duties or obligations including, without limitation in relation to the commencement of Insolvency Proceedings;
- (c) restrict any Consenting Creditor from complying with any legal obligations;
- (d) require any Consenting Creditor, in its capacity as a Scheme Creditor (or as adviser to or manager of a Scheme Creditor) or otherwise, to incur or take any action that would result in it incurring any out-of-pocket expense or other financial obligation;
- (e) oblige any Consenting Creditor to incur any liability other than as expressly contemplated by this Agreement; or
- (f) require any Consenting Creditor to become restricted, receive any material non-public information, or enter into a non-disclosure agreement with the Company or any other Party.

9. *ACCESSION*

9.1 Each Initial Consenting Creditor shall provide a Supporting Notes Notice to the Company on the date of this Agreement.

9.2 A Scheme Creditor (or any fund or other entity advising or managing a Scheme Creditor and that is acting on its behalf) who is not a Party to this Agreement may accede to this Agreement as an Additional Consenting Creditor by delivering to the Company a properly completed and executed Accession Deed and the Existing Notes and/or Existing Offshore Loans set out in the Accession Deed shall constitute Supporting Notes.

9.3 Each Party agrees that any Additional Consenting Creditor that executes an Accession Deed shall be:

- (a) a Party to this Agreement; and

- (b) bound by, and entitled to enforce, the terms of this Agreement as if they were an original party to this Agreement,

in each case, on and from the date of its Accession Deed.

- 9.4 The Company may request, and the relevant Consenting Creditor shall (subject to any confidentiality undertakings by which such Consenting Creditor is bound) deliver such evidence as may reasonably be required by the Company to prove (to the reasonable satisfaction of the Company) beneficial ownership of the relevant Existing Notes and/or Existing Offshore Loans in relation to which a Consenting Creditor claims it has executed an Accession Deed or a Supporting Notes Notice, and/or in respect of which a Consent Fee has accrued.
- 9.5 The Company shall treat all information that it receives from Consenting Creditors for the purpose of reconciling their positions or entitlement to the Consent Fee as confidential information.

10. TRANSFERS

- 10.1 No Consenting Creditor may assign or otherwise transfer all or any part of its legal or beneficial interests, rights, benefits or obligations under or in respect of any of the Supporting Notes held by it or implement any transaction of a similar or equivalent economic effect (collectively, a “**Transfer**”) other than in accordance with Clause 10.2 below.

- 10.2 During the Restructuring Period, a Transfer will only be effective if

- (a) the relevant transferee is:

(i) is ~~either~~ a Consenting Creditor; or

(ii) has first agreed to be bound by the terms of this Agreement as a Consenting Creditor by acceding to this Agreement in accordance with Clause 9.2 (*Accession*) above ~~provided all the Supporting Notes the subject of the Transfer continue to be Supporting Notes following the Transfer; and,~~

provided all the Supporting Notes the subject of the Transfer continue to be Supporting Notes following the Transfer; and

- (b) in the case of a Transfer in relation to any of the Existing Offshore Loans or any part thereof:

(i) the Transfer is ~~to one transferee only;~~

~~(ii) the Transfer is in respect of all of the Existing Offshore Loans held by the Consenting Creditor and~~ in respect of all of the Consenting Creditor’s interest in the Existing Offshore ~~Loans~~ Loan or part thereof the subject of the Transfer; and

(ii) ~~(iii)~~ a notice of transfer substantially in the form set out in Schedule 6 (*Notice of Transfer*) has been given to the Company in relation to the Transfer in the manner contemplated in the form of notice of transfer.

10.3 ~~An Accession Deed will take effect on and~~ With effect from the date of a Transfer in accordance with Clause 10.2, or, in the case of a transferee acceding to this Agreement, from the date on which ~~the relevant Accession Deed~~ the relevant Accession Deed is delivered to the Company, in the manner contemplated in the Accession Deed and Clause 9.2 (*Accession*) above, ~~and with effect from that date:~~

- (a) any Party transferring the Supporting Notes shall be discharged from all its obligations towards the other Parties under this Agreement in respect of those Supporting Notes and their respective rights against one another in respect of those Supporting Notes shall be cancelled (except in each case for those rights which arose prior to that date); and
- (b) the ~~replacement or new Scheme Creditor~~ transferee, if it is not already a Consenting Creditor, shall become a Party to this Agreement as an Additional Consenting Creditor and shall assume the same obligations and become entitled to the same rights and shall be entitled to enforce the terms of this Agreement in relation to those Supporting Notes, as if it had been an original party to this Agreement in the capacity of an Additional Consenting Creditor but not as an Initial Consenting Creditor.

10.4 Without prejudice to Clauses 10.1 and 10.2 above, if any Consenting Creditor purports to effect a Transfer before the relevant transferee is bound by the terms of this Agreement in accordance with this Clause 10, that Consenting Creditor shall remain liable as a Consenting Creditor in respect of its obligations and liabilities under this Agreement, in respect of the relevant Supporting Notes, until the relevant transferee is bound by the terms of this Agreement in accordance with this Clause 10.

10.5 This Clause 10 shall not preclude any Consenting Creditor from transferring or delivering any Existing Notes that are Supporting Notes to settle any confirmed transaction pending to the date of such Consenting Creditor's entry into this Agreement and Clauses 10.1, 10.3 and 10.4 above shall not apply to any such transfer or delivery.

10.6 Notwithstanding any other provision of this Clause 10, a Qualified Market-maker that acquires an interest in any Existing Notes that are Supporting Notes from a Party shall not be required to execute and deliver an Accession Deed in accordance with Clause 9 (*Accession*) or this Clause 10 or otherwise agree to be bound by the terms and conditions set forth in this Agreement:

- (a) in respect of such Supporting Notes, if such Qualified Market-maker transfers such interest in the Supporting Notes (by purchase, sale, assignment, participation, or otherwise) within five Business Days of its acquisition to a Consenting Creditor or to a transferee who accedes to this Agreement as an Additional Consenting Creditor in accordance with Clause 9 (*Accession*); and/or

- (b) in respect of any other Existing Notes that are Supporting Notes held or controlled by one or more of its proprietary trading desks when acting as a Qualified Market-maker.

11. REPRESENTATIONS OF THE CONSENTING CREDITORS

Each Consenting Creditor makes the following representations and warranties to each of the other Parties: (i) on the date of this Agreement (or the date of its Accession Deed, in respect of each Additional Consenting Creditor); and (ii) on the date of each Supporting Notes Notice it delivers:

- (a) it is duly incorporated (if a corporate person) or duly established (in any other case) and validly existing under the laws of its jurisdiction of incorporation or formulation (as applicable) and has the power to enter into this Agreement and perform its obligations hereunder;
- (b) the entry into and performance by it of this Agreement does not conflict in any material respect with any law or regulation applicable to it or its constitutional documents or any agreement or instrument binding on it or any of its assets;
- (c) it has complied with all necessary formalities required in connection with, and has the power and authority to enter into and comply with, its obligations under this Agreement;
- (d) it is either:
 - (i) the holder of its Supporting Notes; or
 - (ii) a fund, investment manager or other entity advising or managing a Scheme Creditor,

and, in each case, it is authorised and legally entitled and able to control the exercise of votes in relation to its Supporting Notes (or, in the case of sub-paragraph (ii) above, the Supporting Notes of the Scheme Creditor it advises or manages) in order to comply with the terms of this Agreement; and

- (e) the aggregate principal amount of its Supporting Notes is as set out in its Initial Supporting Notes Notice or Accession Deed (as applicable) or any further Supporting Notes Notices it provides to the Company.

12. REPRESENTATIONS OF THE GROUP COMPANIES

Each of the Group Companies makes the following representations and warranties on the date of this Agreement to the Consenting Creditors:

- (a) it is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has the power to own its material assets and carry on business in all material respects as currently conducted;

- (b) the entry into of this Agreement will not conflict in any material respect with:
 - (i) any laws or regulations applicable to it; or
 - (ii) its constitutional documents;
- (c) it has complied with all necessary corporate formalities required in connection with, and has the power and authority to enter into and comply with, its obligations under this Agreement; and
- (d) as far as it is aware, no Insolvency Proceeding has been instituted against any Group Company.

13. *REPRESENTATIONS OF EACH PARTY*

Each Party makes the following representations and warranties on the date of this Agreement to each other Party that:

- (a) it has been represented by counsel (or had the opportunity to and waived its right to do so) in connection with this Agreement and the Restructuring Terms;
- (b) the execution, delivery, and performance by it of this Agreement do not require any registration or filing with, consent or approval of, or notice to, or other action to, with, or by, any federal, state, or other governmental authority or regulatory body, except for:
 - (i) such filings as may be necessary and/or required for disclosure by the U.S. Securities and Exchange Commission and applicable state securities or “blue sky” laws in the United States;
 - (ii) any filings required in connection with the Scheme, the BVI Recognition Filing, Chapter 15 Filing and/or the Chapter 15 Order; and
 - (iii) in the case of each Group Company only:
 - (A) the filing of any necessary amended articles of association or formation or other organisational documents with applicable incorporation authorities; and
 - (B) other registrations, filings, consents, approvals, notices, or other actions that are reasonably necessary to maintain permits, licenses, qualifications, and governmental approvals to carry on the respective businesses of that Group Company.

14. *ACKNOWLEDGEMENTS*

Each of the Parties confirms and acknowledges that:

- (a) this Agreement and the Restructuring Terms are the product of negotiations among the Parties, together with their respective representatives and financial and legal

advisors. This Agreement is not, and shall not be deemed to be, a solicitation of votes for the acceptance of the Chapter 15 Filing or the Chapter 15 Order or any plan of reorganization for the purposes of the U.S. Bankruptcy Code or otherwise. No Group Company will solicit acceptances of the Scheme and/or the Chapter 15 Filing from any Consenting Creditor until such Consenting Creditor has received the relevant disclosure statement that contains “adequate information” (as defined in section 1125, 1126 and 1127 of the U.S. Bankruptcy Code;

- (b) subject to paragraph (c) of Clause 19 (*Publicity*), nothing contained in this Agreement shall be deemed to be an admission of any kind. In connection with the Chapter 15 Filing and the Chapter 15 Order, pursuant to Federal Rule of Evidence 408 and any applicable state rules of evidence, this Agreement shall not be admissible into evidence in any proceeding other than a proceeding to enforce the terms of this Agreement;
- (c) no consideration shall be due or paid to the Consenting Creditors for their agreement to support or not interfere with the Scheme, the BVI Recognition Filing, the Chapter 15 Filing or the Chapter 15 Order in accordance with the terms and conditions of this Agreement, other than the Consent Fee and otherwise as expressly set out in this Agreement; and
- (d) any custodian, depository, agent or management company that executes this Agreement or any Accession Deed for and on behalf of any Consenting Creditor, in circumstances where the relevant Consenting Creditor is or becomes a party to this Agreement and such custodian, depository, agent or management company merely executes this Agreement or the relevant Accession Deed on its behalf, shall have no obligations or liability under this Agreement or the relevant Accession Deed.

15. *TERMINATION*

15.1 **Company Termination**

This Agreement shall be terminated, in respect of all Parties, by the delivery of a notice of termination to the Advisers by the Company if ~~one or more Consenting Creditor(s) which hold(s)~~ Scheme Creditors who hold (or advises or manages one or more Scheme Creditor(s) which hold(s)) 25% or more of the aggregate claims against the Company in respect of the Existing Notes and Existing Offshore Loans ~~do (does) not comply with any provision of this Agreement in any material respect, and in a manner reasonably likely to cause the Restructuring not to become effective on substantially the same terms or timetable as contemplated by the Restructuring Terms, unless the failure to comply is capable of remedy and is remedied within three Business Days of delivery of such notice of termination by the Company to the Advisers, and in such circumstances the termination shall be with effect from immediately after the three Business Days but only if the failure to comply is not remedied within the three Business Days~~ provide evidence satisfactory to the Company that they will oppose the Restructuring and vote against the Schemes in respect of all their claims against the Company.

15.2 Individual Consenting Creditor Termination

This Agreement shall be terminated, in respect of a Consenting Creditor (but shall continue in full force and effect in respect of the other Parties):

- (a) at the election of the Company, by the delivery of a written notice of termination to a Consenting Creditor, if that Consenting Creditor does not comply with any undertaking in this Agreement in any material respect, unless the failure to comply is capable of remedy and is remedied within five Business Days of delivery of such notice of termination by the Company to the relevant Consenting Creditor, and in such circumstances the termination shall be with effect from immediately after the five Business Days but only if the failure to comply is not remedied within the five Business Days;
- (b) if that Consenting Creditor sells, transfers, assigns or otherwise disposes of all of its Supporting Notes in accordance with Clause 10 (*Transfers*);
- (c) if, following receipt of a restructuring proposal from any third party, the Initial Consenting Creditors Super-Majority (acting reasonably), or, if there are no Initial Consenting Creditors, the Consenting Creditors Super-Majority (acting reasonably), determines that such proposal is an economically superior proposal for the financial restructuring of the Existing Notes and Existing Offshore Loans and provided that such proposal is not subject to any financing or diligence contingencies and is otherwise unconditional and irrevocable, and has reasonable prospects of being effected; or
- (d) at the election of a Consenting Creditor, by the delivery of a written notice of termination to the Company:
 - (i) if any one or more Scheme Creditor(s) (in such context, collectively, the “**Blocking Creditor**”) provides evidence satisfactory to the Company and the relevant Consenting Creditor (each acting reasonably) that such Blocking Creditor:
 - (A) holds (or advises or manages one or more Scheme Creditor(s) who hold(s)) more than 25% of the aggregate claims against the Company in respect of the Existing Notes and the Existing Offshore Loans; and
 - (B) will oppose the Restructuring and vote against the Schemes in respect of all such claims against the Company;
 - (ii) if an Insolvency Event occurs and that Consenting Creditor determines (acting reasonably) that there is no reasonable prospect of the Restructuring being effected through the relevant Insolvency Proceedings;
 - (iii) if any of the Group Companies do (does) not comply with any provisions in this Agreement in any material respect, unless the failure to comply is capable of remedy and is remedied within five Business Days of that notice;

- (iv) if the Company and the Initial Consenting Creditors Majority (and/or the Advisers on their behalf) or, if there are no Initial Consenting Creditors, the Consenting Creditors Majority (and/or the Advisers on their behalf), have not agreed the final form Restructuring Documents ~~on or before 31 January~~ (other than any new security documents, legal opinions and/or other ancillary documents to be entered into, each of which shall be based substantively on the existing forms of such documents with appropriate amendments to refer to the new debt instruments to be issued pursuant to the Restructuring and/or update references therein to applicable laws and regulations) on or before 17 February 2016 (subject to clean up amendments made prior to the date of any hearing to convene creditor meetings for any Scheme), unless such date is extended by the Company and Initial Consenting Creditors Majority (each acting reasonably) or, if there are no Initial Consenting Creditors, the Consenting Creditors Majority (acting reasonably);
- (v) if the Court fails to grant an order convening the Scheme Meeting, on or before ~~31 March~~ 30 April 2016, unless such date is extended by the Company and the Initial Consenting Creditors Majority (each acting reasonably), or, if there are no Initial Consenting Creditors, the Consenting Creditors Majority (acting reasonably);
- (vi) if, after the date of this Agreement, an event occurs which has a Material Adverse Effect; and
- (vii) if any Enforcement Action is taken in respect of any of the Existing Notes or Existing Offshore Loans.

15.3 Automatic Termination

Without prejudice to any prior termination in respect of all Parties in accordance with Clause 15.1 (*Company Termination*), this Agreement shall terminate, in respect of all Parties, upon the occurrence of the earlier of any of the following events:

- (a) the Restructuring ~~Effective~~ Effectiveness Date;
- (b) the Longstop Date;
- (c) at the Scheme Meeting, in the event that a vote takes place and the Scheme is not approved by the requisite majorities of the Scheme Creditors specified in section 674 of the Companies Ordinance or section 86 of the Companies Law or Part 26 of the Companies Act (as applicable) provided however, that such automatic termination shall not occur if such Scheme Meeting is adjourned to a date falling within 30 days of the date of the initial Scheme Meeting and the Scheme is approved at such adjourned Scheme Meeting by the requisite majorities of the Scheme Creditors; or

- (d) at a hearing of the Court for the purposes of sanctioning the Scheme (including any adjournment thereof), the Court does not grant an order sanctioning the Scheme and there is no reasonable prospect of the Restructuring being effected and the Company has exhausted all avenues of appeal.

15.4 **Effect of Termination**

Upon any termination in accordance with this Clause 15, the relevant Party(ies) shall be immediately released from all their obligations and shall have no rights under this Agreement, provided that such termination and release:

- (a) shall be without limitation to, and does not in any way affect, the obligations of any Group Company to, or rights of any Group Company against, any Permitted Transferee with respect to the Supporting Notes which the relevant Consenting Creditor has sold, transferred, assigned or otherwise disposed of to that Permitted Transferee;
- (b) shall not limit or prejudice the rights of any Party against any other Party which have accrued as a result of, or relate to, breaches of the terms of this Agreement at the time or prior to termination;
- (c) in the case of a right of termination expressed to apply solely in respect of a Party, shall not affect the rights, obligations, and liabilities of the other Parties;
- (d) shall not limit the effect of Clauses 15 (*Termination*), 16 (*Notices*), 17 (*Partial Invalidity*), 18 (*Amendments and Waivers*), 19 (*Publicity*), 21 (*Governing Law*) and 22 (*Enforcement*), which shall continue to apply; ~~and~~
- (e) shall be without limitation to and does not in any way affect the obligations of any Group Company to bear all costs, fees and expenses incurred in connection with the negotiation, preparation and implementation of the Restructuring (including, but not limited to, the fees and expenses of the Advisers); and
- (f) does not in any way affect the Company's obligation to pay the Consent Fee in the case of automatic termination of this Agreement pursuant to Clause 15.3(a) subject always to the terms of this Agreement.

15.5 **No Termination for Own Breach**

Notwithstanding any other Clause in this Agreement, nothing in this Agreement shall allow any Party to terminate this Agreement as a result of its own breach of this Agreement.

16. *NOTICES*

16.1 **Communications in Writing**

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax or letter or (in accordance with Clause 16.3 (*Delivery*) below) by email.

16.2 Addresses

The address, fax number, and electronic communication details (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement (unless otherwise stated) is:

- (a) in the case of any Group Company:

Kaisa Group Holdings, Ltd

Attention: Mr. LL Tam

Suite 2001, 20/F, Two International Finance Centre

8 Finance Street

Central

Hong Kong

Fax: +852 3900 0990

Email: lltam@kaisagroup.com

with copies to:

Tanner De Witt

Attention: Robin Darton

1806 Tower Two, Lippo Centre,

89 Queensway

Admiralty

Hong Kong

Fax: +852 2802 3553

Email: robindarton@tannerdewitt.com

Houlihan Lokey

Attention: Brandon Gale

2106 Alexandra House

18 Chater Road

Hong Kong

Fax: +852 3551 2551

Email: bgale@hl.com ;

- (b) in the case of each Initial Consenting Creditor, that identified with its name below;
and
- (c) in the case of each Additional Consenting Creditor, that notified in writing to the Company on or prior to the date on which it becomes a Party,

or any substitute address, email address or fax number or department or officer as any Party may notify to the Company by not less than five Business Days' notice.

16.3 **Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:
 - (i) if by way of fax, when received in legible form;
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being couriered by a reputable courier service (courier prepaid) in an envelope addressed to it at that address; or
 - (iii) if by way of electronic communication, only when actually received in readable form,

and, if a particular department or officer is specified as part of its address details provided under Clause 16.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document made or delivered to the Company in accordance with this Clause 16.3 will be deemed to have been made or delivered to each of the other Group Companies.

16.4 **Notification of Address and Fax Number**

Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to Clause 16.2 (*Addresses*) or changing its own address or fax number, the Company shall notify each of the other Parties.

16.5 **English language**

Any communication to be made or document to be given under or in connection with this Agreement must be in English.

17. *PARTIAL INVALIDITY*

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

18. *AMENDMENTS AND WAIVERS*

18.1 Subject to Clause 18.2 below, any term of this Agreement may be amended or waived in writing by the Company and the Initial Consenting Creditors Majority or, if there are no Initial Consenting Creditors, the Consenting Creditors Majority.

18.2 Any amendment or waiver (as applicable) made in accordance with Clause 18.1 above shall be binding on all Parties.

19. *PUBLICITY*

All Parties agree to this Agreement and its Schedules being publicly disclosed by the Company (except for Schedule 2 (*The Initial Consenting Creditors*), which shall not be disclosed to any person other than the Consenting Creditors). The Company may not disclose the identity of any Consenting Creditor or the amount of any Consenting Creditor's Supporting Notes to any other person without the prior written consent of that Consenting Creditor, provided that:

- (a) the Company may disclose, at any time, the aggregate number of Consenting Creditors and the aggregate principal amount of Supporting Notes;
- (b) the Company may disclose a copy of this Agreement ([except for Schedule 2 \(*The Initial Consenting Creditors*\)](#)) to the Trustee and Common Security Agent and in such other appropriate media so as to provide notice to all Scheme Creditors, including via the Clearing Systems and the Company's website; and
- (c) the Company may disclose the terms of this Agreement to the Court as part of the evidence to be submitted in respect of the Scheme and in support of any application for recognition of and assistance in relation to the Scheme in any jurisdiction and under whatever law including the laws of the BVI and/ or of the United States Bankruptcy Code.

20. *PURCHASE OF EXISTING NOTES*

Nothing in this Agreement will prevent a Consenting Creditor (or any fund or other entity advised or managed by such Consenting Creditor) from purchasing Existing Notes (including Existing Notes which are not subject to this Agreement) and such Existing Notes will not become Supporting Notes unless and to the extent that the relevant Consenting Creditor elects to deliver a Supporting Notes Notice in respect of them to the Company.

21. *GOVERNING LAW*

This Agreement shall be governed by and construed in accordance with Hong Kong law.

22. *ENFORCEMENT*

22.1 **Jurisdiction of Hong Kong courts**

The courts of Hong Kong have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including any dispute regarding the existence, validity or termination of this Agreement) (each, a "**Dispute**").

22.2 **Waiver of Immunity**

Each Group Company waives all immunity, whether from suit, against execution of any judgment or otherwise, that it or its property may have. In particular, but without limitation, each Group Company consents to:

- (a) the giving of any relief by way of injunction or order for specific performance or for the recovery of land or other property; and
- (b) the issue of any process against its property for the enforcement of a judgment.

22.3 **Specific Performance**

The Parties agree that damages would not be a sufficient remedy for the breach by any Party of any terms of this Agreement. Accordingly, any non-breaching Party may seek specific performance and injunctive or other equitable relief as a remedy for any such breach. Such remedies shall, however, be cumulative and not exclusive and shall be in addition to any remedies which any Party may be entitled under this Agreement or otherwise.

23. *COUNTERPARTS*

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1
THE GROUP COMPANIES

1. Chang Ye Investment Company Limited
2. Da Hua Investment Company Limited
3. Dong Chang Investment Company Limited
4. Dong Sheng Investment Company Limited
5. Guang Feng Investment Company Limited
6. Heng Chang Investment Company Limited
7. Jie Feng Investment Company Limited
8. Jin Chang Investment Company Limited
9. Rong Hui Investment Company Limited
10. Rui Jing Investment Company Limited
11. Tai He Xiang Investment Company Limited
12. Xie Mao Investment Company Limited
13. Ye Chang Investment Company Limited
14. Zheng Zhong Tian Investment Company Limited
15. Tai He Sheng Investment Company Limited
16. Tai An Da Investment Company Limited
17. Tai Chang Jian Investment Company Limited
18. Tai Chong Fa Investment Company Limited
19. Tai Chong Li Investment Company Limited
20. Bakai Investments Limited
21. Yifa Trading Limited
22. Advance Guard Investments Limited
23. Victor Select Limited
24. Central Broad Limited
25. Guo Cheng Investments Limited
26. Ri Xiang Investments Limited
27. Yin Jia Investments Limited

28. Kaisa Investment Consulting Limited
29. Cornwell Holdings (Hong Kong) Limited
30. Goldenform Company Limited
31. Hong Kong Jililong Industry Co., Limited
32. Kaisa Holdings Limited
33. Leisure Land Hotel Management (China) Limited
34. Regal Silver Manufacturing Limited
35. Success Take International Limited
36. Woodland Height Holdings Limited
37. Yi Qing Investment Company Limited
38. Yong Rui Xiang Investment Company Limited
39. Zhan Zheng Consulting Company Limited
40. Kaisa Investment (China) Limited
41. Wan Rui Fa Investment Company Limited
42. Wan Rui Chang Investment Company Limited
43. Wan Tai Chang Investment Company Limited
44. Wan Jin Chang Investment Company Limited
45. Multi-Shiner Limited
46. Hong Kong Kaisa Industry Co., Limited
47. Bakai Investments (Hong Kong) Limited
48. Topway Asia Group Limited
49. Kaisa Finance Holdings Limited
50. Hong Kong Kaisa Trading Limited
51. Hong Kong Wanyuchang Trading Limited
52. Hong Kong Zhaoruijing Trading Limited
53. Profit Victor Investments (Hong Kong) Limited
54. Central Broad (Hong Kong) Investment Limited
55. Guo Cheng (Hong Kong) Investment Limited
56. Ri Xiang (Hong Kong) Investment Limited
57. Yin Jia (Hong Kong) Investment Limited

58. Jet Smart Global Development Limited
59. Apex Walk Limited
60. Vast Wave Limited
61. Xian Zhang Limited
62. Rich Tech Hong Kong Investment Limited
63. Apex Walk (Hong Kong) Limited
64. Vast Wave (Hong Kong) Limited
65. Xian Zhang (Hong Kong) Limited
66. Fulbright Financial Group (Enterprise) Limited
67. Fulbright Financial Group (Development) Limited
68. Fulbright Financial Group (Hong Kong) Limited

SCHEDULE 2
THE INITIAL CONSENTING CREDITORS

SCHEDULE 3

RESTRUCTURING TERMS

1. DEFINITIONS

For the purpose of this Schedule, in addition to the definitions in Clause 1.1, the following terms shall have the following meanings:

“30-day VWAP” means the volume weighted average price of the Common Shares for any consecutive 30-trading-day period during which the Common Shares are actively traded as displayed under the heading “VWAP” on Bloomberg page 1638.HK<equity>.

“Accrued PIK Interest” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Automatic Exchange Transaction” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Calculation Date” means the date that is five business days prior to the Settlement Date.

~~**“CB Election Amount”** means the amount of all Claims that, as of the Exchange Date, Scheme Creditors have elected (or are deemed to have elected) to have exchanged for Restructured CBs pursuant to Option 2 or Option 3.~~

“CBs Trustee” means Citicorp International Limited, as trustee and security trustee under the Convertible Bonds.

“Claims” means, with respect to any Scheme Creditor, the aggregate Exchange Date Principal Amount representing the Existing Notes and/or Existing Offshore Loans held by such Scheme Creditor on the Exchange Date.

“Collateral” has the same meaning ascribed to it in the Existing HY Notes.

“Common Shares” means the ordinary shares of the Company which are currently listed on ~~the~~the Hong Kong Stock Exchange ~~of Hong Kong Limited~~.

“Conversion Price” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Conversion Price”.

“Convertible Bonds” means the 2015 Convertible Bonds (as defined in Clause 1.1).

“Cut-Back Mechanism” means the Cut Back Mechanism described in Clause 2.1(d) below.

“CVR Triggering Event” has the meaning ascribed to it in Clause ~~2.3~~2.2(b) below in the section entitled ~~“Settlement”~~“CVR Triggering Event”.

“CVRs” means the contingent value rights.

[“Exchange Convertible Bonds” means the convertible bonds due 31 December 2019 issued pursuant to the Automatic Exchange Transaction, with the rights set out in the table below.](#)

“**Exchange Date**” means the date on which the New HY Notes are issued under the new indentures, after the Schemes have been sanctioned.

“**Exchange Date Principal Amount**” means (a) the Reference Date Principal Amount, plus (b) accrued and unpaid interest on the Reference Date Principal Amount, calculated using the Spot Rate to convert the RMB-denominated 2016 Notes and HKD-denominated Existing Offshore Loans into U.S. dollar-denominated amounts, compounding semi-annually at (i) ~~6.06.56~~6.56% per annum in the case of the Existing HY Notes and Existing Offshore Loans and (ii) ~~5.05.56~~5.56% per annum in the case of the Convertible Bonds, from (and including) the Reference Date through (but excluding) the Exchange Date (regardless of whether the maturity date of the Convertible Bonds has occurred prior to the Exchange Date).

“**Existing HY Notes**” means, collectively, the 2016 Notes, 2017 Notes, 2018 Notes, 2019 Notes and 2020 Notes.

“**Fundamental Change**” has the meaning ascribed to it in Clause ~~2.32.2(b)~~2.2(b) below in the section entitled “~~Settlement~~Fundamental Changes and Events of Default”.

[“Future PIK Interest” has the meaning ascribed to it in Clause 2.2\(c\) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.](#)

[“Future PIK Listing Approval” has the meaning ascribed to it in Clause 2.2\(c\) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.](#)

“**HKD**” or “**HK dollars**” means Hong Kong dollars, the official currency of Hong Kong.

[“Hong Kong Stock Exchange” means The Stock Exchange of Hong Kong Limited.](#)

“**Implied Market Capitalization**” means, as of any date, the greater of (1) the 30-day VWAP of the Common Shares measured as of such date, multiplied by the average number of shares outstanding as of the close of trading on each date during the measurement period of such 30-day VWAP; or (2) the aggregate equity value of the Company implied by the total per share consideration (or cash equivalent thereof) payable in connection with any transaction that constitutes a Fundamental Change.

“**Independent Investment Bank**” means an independent investment bank of international repute (acting as an expert) selected by the Company, and if the Company fails to select an Independent Investment Bank when required by this Agreement, the holders of Existing Offshore Loans with respect to the USD/HKD rate, and the holders of the Convertible Bonds with respect to the USD/RMB rate, may select the Independent Investment Bank.

“**Interest Payment Date**” has the meaning ascribed to it in Clause 2.2(a) below in the section entitled “Interest Payment Dates”.

“Listing Approvals” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Mandatorily Exchangeable Bonds” means the USD denominated variable rate mandatorily exchangeable bonds due 31 December 2019, with the rights set out in Clause 2.2(c) below.

“Mandatory Exchange Conditions” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Mandatory Redemption Date” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatory Redemption”.

“Market Capitalization Milestone” has the meaning ascribed to it in Clause 2.2(b) below in the section entitled “CVR Triggering Event”.

“Maturity Date” has the meaning ascribed to it in Clause 2.2(a) below in the section entitled “Maturity Date”; *provided* that such date shall be a fixed date regardless of the actual Exchange Date.

“Maximum **CBMEB** Amount” means the Exchange Date Principal Amount represented by the Convertible Bonds.

“MEB Election Amount” means the amount of all Claims that, as of the Exchange Date, Scheme Creditors have elected (or are deemed to have elected) to have exchanged for Mandatorily Exchangeable Bonds pursuant to Option 3.

“MEB Redemption Amount” means the greater of:

(i) an amount equal to the sum of (x) the cash and PIK interest on the aggregate principal amount of Mandatorily Exchangeable Bonds which would have accrued if the interest rate applicable to the Mandatorily Exchangeable Bonds had been the same as the interest rate applicable to the Series A Notes assuming both were outstanding from the Reference Date to the Mandatory Redemption Date, less any accrued cash and PIK interest (whether or not paid yet) on the Mandatorily Exchangeable Bonds had they been outstanding from the Reference Date to the Mandatory Redemption Date and (y) a redemption premium equal to 2.0% of the principal amount of the Mandatorily Exchangeable Bonds on the Mandatory Redemption Date (which, for the avoidance of doubt, includes any PIK Interest that has been capitalised and added to the outstanding principal amount of the Mandatorily Exchangeable Bonds as of, and the PIK Interest since the last interest payment date accrued up to, the Mandatory Redemption Date); and

(ii) an amount equal to the product of (x) the difference between the 30-day VWAP of the Common Shares five business days prior to the Mandatory Redemption Date and the Conversion Price and (y) the quotient of the aggregate principal amount of the Mandatorily Exchangeable Bonds on the Mandatory Redemption Date (which, for the avoidance of doubt, includes any PIK Interest that has been capitalised and added to the outstanding principal amount of, and the PIK Interest since the last interest payment date accrued up to, the Mandatorily Exchangeable Bonds as of the Mandatory Redemption Date)

~~(which, for the avoidance of doubt, includes any PIK Interest that has been capitalised and added to the outstanding principal amount of the Mandatorily Exchangeable Bonds as of, and the PIK Interest since the last interest payment date accrued up to, the Mandatory Redemption Date) and the Conversion Price.~~

“**New HY Notes**” the Series A Notes, the Series B Notes, the Series C Notes, the Series D Notes and the Series E Notes with the rights set out in the table below.

“**New HY Notes Trustee**” means Wilmington Trust, National Association, as trustee under the New HY Notes.

“**New MEB Trustee**” means U.S. Bank, National Association, as trustee under the Mandatorily Exchangeable Bonds.

“**Option 1 Claims**” means all Claims that any Scheme Creditor has elected to exchange (or been deemed to so elect, including any Claims exchanged ~~for New HY Notes~~ pursuant to the ~~cut-back mechanism described in Clause 2.1~~ Cut-Back Mechanism) for New HY Notes and CVRs.

“**Option 2 Claims**” means all Claims that any Scheme Creditor has elected to exchange (or been deemed to so elect, including any Claims exchanged pursuant to the Cut-Back Mechanism) for New HY Notes only.

“**Qualified Exchange**” means either (1) the New York Stock Exchange, the London Stock Exchange, ~~The~~ the Hong Kong Stock Exchange ~~of Hong Kong Limited~~, the Nasdaq Stock Market or the SGX or (2) a national securities exchange (as such term is defined in Section 6 of the U.S. Securities Exchange Act of 1934, as amended) or a designated offshore securities market (as such term is defined in Rule 902(b) under the U.S. Securities Act of 1933, as amended).

“**Rate Calculation Date**” means the day on which the amount of each Scheme Creditor’s claim is determined for the purpose of voting in respect of the Scheme.

“**Reference Date**” means 1 January ~~+~~, 2016.

“**Reference Date Principal Amount**” means the aggregate principal amount of the Existing Notes and Existing Offshore Loans outstanding on the Reference Date, plus any accrued and unpaid interest under the Existing Notes and Existing Offshore Loans, compounding semi-annually at the interest rates applicable to the Existing Notes and Existing Offshore Loans in accordance with their relevant indentures, instruments or agreements, through (but excluding) the Reference Date.

“**Reference Dealers**” means four leading dealers engaged in the foreign exchange market of the relevant currency selected by the Company.

“**Reference Share Price**” means the 30-day VWAP of the Common Shares immediately prior to the Calculation Date.

~~“Restructured CBs” means the convertible bonds with the rights set out in the table below.~~
“Residual Claims” has the meaning ascribed to it in Clause 2.1(d)(ii) below.

“Restructured Onshore Debt” has the meaning ascribed to it in Clause 2.2(a) below in the section entitled “Events of Default”.

“RMB” means Renminbi, the official currency of the People’s Republic of China.

“Settlement Date” has the meaning ascribed to it in Clause ~~2.3~~2.2(b) below in the section entitled “Settlement”.

“SGX” means the Singapore Exchange Securities Trading Limited.

“Shareholder Resolutions” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Shareholders’ Meeting” has the meaning ascribed to it in Clause 2.2(c) below in the section entitled “Mandatorily Exchangeable Bonds after the Restructuring”.

“Spot Rate” means a rate determined by the Company in good faith as follows:

- (a) in respect of the USD Equivalent of an RMB-denominated amount, the RMB/US dollar official fixing rate, expressed as the amount of RMB per one U.S. dollar, reported by the People’s Bank of China which appears on the Reuters Screen “SAEC” Page opposite the symbol “USDCNY” page at or about 9:15 am (Beijing time) on the Rate Calculation Date;
- (b) in respect of the USD Equivalent of a HK dollar-denominated amount, the bid exchange rate, expressed as the amount of HK dollars per one U.S. dollar, which appears on the relevant Reuters “HKDFIX” page at 11:00 am (Hong Kong time) on the Rate Calculation Date;
- (c) if no such rate is available under sub-paragraph (a) or (b), the spot rate determined by the Company in good faith on the basis of quotations provided by the Reference Dealers of the specified exchange rate for the Rate Calculation Date as obtained in accordance with the provisions below; and
- (d) if fewer than two quotations are provided under sub-paragraph (c), the exchange rate for the Rate Calculation Date as shall be determined by an Independent Investment Bank in good faith.

In determining the spot rate under sub-paragraph (c) above, the Company will request the Beijing (for determining the USD Equivalent of an RMB-denominated amount) or Hong Kong (for determining the USD Equivalent of an HK dollar-denominated amount) office of each of the Reference Dealers to provide a quotation of what the specified screen rate would have been had it been published, reported or available for the Rate Calculation Date, based upon each Reference Dealer’s experience in the

foreign exchange market for RMB or HK dollars (as applicable) and general activity in such market on the Rate Calculation Date. The quotations used to determine the Spot Rate for a Rate Calculation Date will be determined in each case for such Rate Calculation Date, and will be requested at 9:15 ~~am~~a.m. (Beijing time) or 11:00 a.m. (Hong Kong time), as applicable, on such Rate Calculation Date or as soon as practicable after it is determined that the specified screen rate is not available.

If four quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates, without regard to the rates having the highest and lowest value. For this purpose, if more than one quotation has the same highest value or lowest value, then the rate of only one of such quotations shall be disregarded. If two or three quotations are provided, the rate for a Rate Calculation Date will be the arithmetic mean of the rates provided.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Schedule ~~2,3~~, whether by the Reference Dealers (or any of them), the Company or the Independent Investment Bank, will (in the absence of wilful default, bad faith or manifest error) be binding on the Company, the CBs Trustee, and all Consenting Creditors.

[“Subsidiary Guarantor Pledgor” has the same meaning ascribed to it in the Existing HY Notes and includes any other Subsidiary Guarantor Pledgor \(under and as defined in the Amended and Restated Intercreditor Agreement\).](#)

“TIA” means the U.S. Trust Indenture Act of 1939, as amended.

~~“Trustee” means, with respect to each series of New HY Notes, the trustee for such series of New HY Notes.~~

“USD” or “U.S. dollars” means United States dollars, the official currency of the United States of America.

“USD Equivalent” means, in respect of any RMB or HK dollar-denominated amounts, such amounts in RMB or HKD divided by the relevant Spot Rate.

2. *TREATMENT OF THE EXISTING NOTES AND EXISTING OFFSHORE LOANS IN THE RESTRUCTURING*

2.1 **Election by Scheme Creditors of the Treatment of their Existing Notes and Existing Offshore Loans**

The Existing Notes and Existing Offshore Loans will be combined into a single class for voting purposes in the Schemes, and each participating holder of the Existing Notes and Existing Offshore Loans will be entitled to elect ~~one of~~ the following options for treatment of their Claims:

- (a) **Option 1 – ~~100% in~~ New HY Notes and CVRs**

Exchange ~~100%~~some or all of their Claims for ~~New HY Notes~~;

- (i) New HY Notes at an exchange ratio of 1.00000x (e.g., \$1,000 of Claims equal to \$1,000.00 in New HY Notes) with new principal amounts, new maturity dates and new interest coupon schedules, as summarized in Clause 2.2(a) below. The covenants, guarantees and collateral under the New HY Notes will be substantially similar to those provided under the Existing HY Notes; and
- (ii) CVRs, separately tradable as a single instrument as summarized in Clause 2.2(b) below, which will provide upside sharing in the event that one or more trigger events occur.

Scheme Creditors who fail to submit a valid election by the applicable deadline in relation to any of their Claims will be deemed to have elected Option 1 for all such Claims represented by Existing HY Notes and Existing Offshore Loans.

(b) Option 2 – New HY Notes Only

Exchange some or all of their Claims for New HY Notes at an exchange ratio of 1.02598x (e.g., \$1,000 of Claims equal to \$1,025.98 in New HY Notes) with new principal amounts, new maturity dates and new interest coupon schedules, as summarised in Clause 2.2(a) below. The covenants, guarantees and collateral under the New HY Notes will be substantially similar to those provided under the Existing HY Notes.

~~In addition, holders of the New HY Notes will receive CVRs, separately tradable as a single instrument which will provide upside sharing in the event that one or more trigger events occur.~~

~~Holders of Existing HY Notes and Existing Offshore Loans will be deemed to have elected Option 1 if a valid election is not received by the applicable deadline.~~

~~**(b) Option 2 – Full Subscription for Restructured CBs**~~

(c) Option 3 – Mandatorily Exchangeable Bonds

Exchange ~~up to 100%~~some or all of their Claims for ~~Restructured CBs, subject to the cut-back mechanism~~Mandatorily Exchangeable Bonds at an exchange ratio of 1.00000x (e.g., \$1,000 of Claims equal to \$1,000.00 in Mandatorily Exchangeable Bonds subject to the Cut-Back Mechanism described below in the event the ~~CBMEB~~ Election Amount exceeds the Maximum ~~CB Amount~~. ~~In the event of a cutback, any Claims not exchanged for Restructured CBs shall receive the same treatment as Option 1 Claims and shall be exchanged for New HY Notes (and the associated CVRs). The Convertible Bonds will be amended with a new principal amount, an extended maturity date, a new interest coupon schedule and a lower conversion price as summarised~~MEB Amount) on the terms summarised in Clause 2.2(c) below.

~~Holders of Convertible Bonds will be deemed to have elected Option 2 if Scheme Creditors who fail to submit a valid election is not received by the applicable deadline.~~

~~(c) **Option 3—Proportionate Subscription to Restructured CBs and Proportional Exchange for New HY Notes and CVRs** Exchange all of their Claims for a proportionate amount of each of the New HY Notes, CVRs and the Restructured CBs, with (i) the percentage of such Claims equal to the percentage that the Maximum CB Amount represents of the Exchange Date Principal Amount being exchanged for Restructured CBs, subject to adjustment from the cut back mechanism described below in the event the CB Election Amount exceeds the Maximum CB Amount; and (ii) any Claims not exchanged for Restructured CBs receiving the same treatment as Option 1 Claims and exchanged for New HY Notes (and the associated CVRs). in relation to any of their Claims will be deemed to have elected Option 3 for all such Claims represented by Convertible Bonds subject to the Cut-Back Mechanism described below.~~

(d) **Cut-Back Mechanism:**

On the Exchange Date, if the CBMEB Election Amount is greater than the Maximum CBMEB Amount, then :

(i) any Claims~~Claim~~ that ~~are~~is to be exchanged for Restructured CBs~~Mandatorily Exchangeable Bonds~~ pursuant to an election for Option 2 ~~or Option 3~~ shall be exchanged for (i) Restructured CBs~~Mandatorily Exchangeable Bonds~~ with a principal amount equal to the product of the amount of such Claims, multiplied by the quotient of the Maximum CBMEB Amount, divided by the CBMEB Election Amount, ~~and (ii) New HY Notes (and the associated CVRs) (issued in connection with the exchange of all Option 1 Claims) with an aggregate principal amount of New HY Notes equal to the difference between the amount of such Claims, minus the principal amount of Restructured CB's issued pursuant to the preceding Clause (i); and~~

(ii) the portion of Claims electing Option 3 that were not exchanged for Mandatorily Exchangeable Bonds pursuant to the preceding sub-paragraph (i) (“Residual Claims”) shall be exchanged for:

(A) New HY Notes and CVRs (as Option 1 Claims); or

(B) New HY Notes only (as Option 2 Claims).

The allocation of Residual Claims shall be made in accordance with the election made by the Scheme Creditor in respect of cut-back treatment. In the event that the MEB Election Amount is greater than the Maximum MEB Amount, Scheme Creditors may elect whether their Residual Claims

are to be treated as Option 1 Claims or Option 2 Claims, and Scheme Creditors who fail to submit a valid election by the applicable deadline as to whether their Residual Claims are to be treated as Option 1 Claims or Option 2 Claims shall be deemed to have elected for such Residual Claims to be treated as Option 1 Claims.

2.2 Proposed Key Terms

The key terms of the New HY Notes, CVRs and Mandatorily Exchangeable Bonds are set out below.

(a) Terms of the New HY Notes:—As of

On the Exchange Date, each Scheme Creditor shall may exchange all Option 1 Claims and/or Option 2 Claims for an aggregate principal amount of New HY Notes equal to the aggregate amount of such Option 1 Claims. The New HY Notes to be issued to each Scheme Creditor in respect of such Claims shall be Series A Notes, Series B Notes, Series C Notes, Series D Notes and Series E Notes, each in a principal amount proportionate to the aggregate principal amount of each such series to be issued, tradable in US\$1,000 and integral multiples of US\$1 in excess thereof (but for the purpose of Euroclear and Clearstream the denominations are considered as \$1.00), determined in accordance with the following:

Issuer	The Company
New HY Notes Offered	<p>Series A Notes: Variable rate senior notes due <u>31 December 31, 2019</u>2019, in a principal amount equal to 10% of all New HY Notes issued;</p> <p>Series B Notes: Variable rate senior notes due <u>30 June 30, 2020</u>2020, in a principal amount equal to 18% of all New HY Notes issued;</p> <p>Series C Notes: Variable rate senior notes due <u>31 December 31, 2020</u>2020, in a principal amount equal to 22% of all New HY Notes issued;</p> <p>Series D Notes: Variable rate senior notes due <u>30 June 30, 2021</u>2021, in a principal amount equal to 24% of all New HY Notes issued; and</p> <p>Series E Notes: Variable rate senior notes due <u>31 December 31, 2021</u>2021, in a principal amount equal to 26% of all New HY Notes issued.</p>
Maturity Date	<p>Series A Notes: <u>31 December 31, 2019</u>;</p> <p>Series B Notes: <u>30 June 30, 2020</u>;</p> <p>Series C Notes: <u>31 December 31, 2020</u>;</p> <p>Series D Notes: <u>30 June 30, 2021</u>;</p> <p>Series E Notes: <u>31 December 31, 2021</u>;</p> <p>(each such date with respect to each series of the New HY Notes, a “Maturity Date”).</p>
Interest	The New HY Notes will bear interest from (and including) the Exchange Date, payable semi-annually in arrears, according to the table set out below.

Interest Payment Dates	<u>30</u> June 30 and <u>31</u> December 31 (“Interest Payment Date”).
Release of Subsidiary Guarantee, JV Subsidiary Guarantees and Collateral	Same as the Existing HY Notes, except that the Subsidiary Guarantees, the JV Subsidiary Guarantees and the Collateral may be released or reduced upon the consent of the holders of at least 90% in aggregate principal amount of the outstanding New HY Notes, and in certain other circumstances. See “Amendments and Waiver” below.
Intercreditor Agreement	On the Exchange Date, each <u>of the New HY Notes</u> Trustee, for the benefit of the holders of the relevant series of the New HY Notes, will accede to the New MEB Trustee for the benefit of the holders of the relevant series of the Mandatorily Exchangeable Bonds and the Common Security Trustee will enter into the <u>Amended and Restated</u> Intercreditor Agreement, which will provide that the security interest in the Collateral will be shared on a pari passu basis among (i) the CB <u>New MEB</u> Trustee for the benefit of the holders of the Restructured CBs, <u>(ii) each Mandatorily Exchangeable Bonds (and any subsequent trustee with respect to the Exchange Convertible Bonds which are issued pursuant to the Automatic Exchange Transaction); (ii) each New HY Notes</u> Trustee for the benefit of the holders of the relevant each series of the New HY Notes, (iii) the creditors with respect to other existing Permitted Pari Passu Secured Indebtedness and (iv; and (iii) any other creditors with respect to future Permitted Pari Passu Secured Indebtedness.
Optional Redemption	<p>Each series of the New HY Notes may be redeemed at any time before the date that is two years prior to the Maturity Date for such series of the New HY Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of such series of New HY Notes, plus any accrued and unpaid interest to (but excluding) the redemption date.</p> <p>At any time during the one year period from (and including) the date that is two years prior to the Maturity Date for each series of the New HY Notes to (and excluding) the date that is one year prior to such Maturity Date, relevant series of the New HY Notes may be redeemed in whole or in part, at a redemption price equal to 101% of the principal amount of such series of New HY Notes, plus any accrued and unpaid interest to (but excluding) the redemption date.</p> <p>At any time during the one year period from (and including) the date that is one year prior to the Maturity Date for each series of the New HY Notes to (and including) such Maturity Date, relevant series of the New HY Notes may be redeemed in whole or in part, at a redemption price equal to 102% of the principal amount of such series of New HY Notes, plus any accrued and unpaid interest to (but excluding) the redemption date.</p>
Provision of Financial Statements and Reports	Same as the Existing HY Notes, except that so long as any of the New HY Notes remain outstanding, for as long as and only if the Company has failed to file with The <u>publish on the website of the Hong Kong</u> Stock Exchange of Hong Kong Limited, or any other securities exchange on which the Common Shares are at any time listed for trading, true and correct copies of any financial report required to be <u>published or</u> filed in accordance with the rules and regulations of such exchange, the Company shall <u>furnish to the New HY Notes Trustees and</u> publicly disclose quarterly reports on the website of The <u>the Hong Kong</u> Stock Exchange of Hong Kong Limited, within 30

	<p>calendar days of the end of each fiscal year of the Company and the three-month anniversary thereof, that include details on the Company's land bank, contracted sales, gross floor area and average selling prices of the units sold during such quarterly period; <u>provided, further, that, if at any time the ordinary shares of the Company cease to be listed for trading on a recognised securities exchange, the Company will file reports containing the information referred to above with the New HY Notes Trustee.</u></p>
Use of Proceeds from Issuance of Future Permitted Pari Passu Secured Indebtedness	<p>100% of net proceeds from the issuance of any future Permitted Pari Passu Secured Indebtedness shall be applied, subject to the Intercreditor Agreement, pro rata, to redeem New HY Notes and any existing Permitted Pari Passu Secured Indebtedness<u>the Mandatorily Exchangeable Bonds (or Exchange Convertible Bonds which are issued pursuant to the Automatic Exchange Transaction) and any PIK notes with respect thereto</u> (with payments pro rata on the basis of the principal amount then outstanding of each series of the New HY Notes and such <u>Mandatorily Exchangeable Bonds (or Exchange Convertible Bonds which are issued pursuant to the Automatic Exchange Transaction)</u>); for the avoidance of doubt, no future Permitted Pari Passu Secured Indebtedness shall refinance any unsecured indebtedness or indebtedness with a lien priority junior to the New HY Notes. <u>For the avoidance of doubt, no future Permitted Pari Passu Secured Indebtedness shall refinance any unsecured indebtedness or indebtedness with a lien priority junior to the New HY Notes.</u></p>
Limitation on Issuance of Future Subordinated Indebtedness or Equity (or an instrument that is a hybrid thereof)	<p>The issuance of any future indebtedness (or equity or any instrument that is a hybrid thereof) by the Company that is subordinated in right of payment <u>or junior in lien priority</u> to the New HY Notes <u>or equity or any instrument that is a hybrid thereof</u> shall be subject to a binding agreement entered into by the Company for the benefit of the holders of the New HY Notes that the Company shall not elect PIK interest in any PIK toggle coupon periods in the future. Furthermore, the issuance of such future subordinated indebtedness shall have a maturity date later than that of the Series E Notes and may not be redeemed prior to the full redemption of the New HY Notes. This does not apply in relation to the issuance of any equity pursuant to the CVRs, the Restructured CBs<u>any Exchange Convertible Bonds issued pursuant to the Automatic Exchange Transaction, any shares issued upon conversion of any Exchange Convertible Bonds</u> or any stock option plans of the Company.</p>
Events of Default	<p>Same as the Existing HY Notes, except that (i) failure to file with The<u>publish on the website of the Hong Kong</u> Stock Exchange of Hong Kong Limited copies of its financial statements (on a consolidated basis) in respect of the fiscal year ended <u>31 December</u>31, 2014 (including a statement of income, balance sheet and cash flow statement) audited by a member firm of an internationally-recognized firm of independent accountants on or before <u>31 December</u> 31, 2016; provided that the Company shall have until <u>31 March</u> 31, 2017 to cure such failure, (ii) failure to make any payment (in cash or Common Shares) by the Settlement Date following a CVR Triggering Event under the CVRs shall also constitute an Event of Default, <u>or</u> (iii) the Common Shares cease to be listed or admitted for trading or are suspended for 30 or more consecutive trading days after the lifting of the current suspension on the trading of the Common Shares shall also constitute an Event of Default.</p> <p>Notwithstanding the foregoing, any Event of Default arising out of or related</p>

	<p>to a default, an event of default or acceleration of indebtedness under or failure to pay principal of, or interest or premium on, any onshore indebtedness <u>of the Company's subsidiaries that are incorporated in the PRC existing as of on</u> the Exchange Date, shall be deemed waived by all holders of the New HY Notes. Such waiver shall be subject to (i) the Company <u>or PRC Restricted Subsidiaries</u> entering into binding documentation providing for the restructuring of at least 85% of its existing onshore indebtedness and (ii) holders of the New HY Notes and the Company using commercially reasonable endeavors to agree on definitive documentation for the timing and scope of any waivers that may be requested for any remaining defaulted onshore debt that continues to exist after the Exchange Date <u>RMB-denominated indebtedness owed by the Company's subsidiaries that are incorporated in the PRC to various financial institutions domiciled in the PRC (such restructured indebtedness, "Restructured Onshore Debt")</u>. The waivers referred to above shall not apply to any Event of Default that occurs after the Exchange Date in respect of (i) any restructured onshore indebtedness <u>Restructured Onshore Debt</u> or (ii) any additional onshore indebtedness incurred after the Exchange Date <u>by the Company's subsidiaries incorporated in the PRC</u>.</p>
<u>Governing Law</u>	<u>The New HY Notes will be governed by and construed in accordance with the laws of the State of New York and will be qualified under the TIA.</u>
Amendments and Waiver	<p>Same as the Existing HY Notes, except that all modifications, amendments or waivers of each series of the New HY Notes which would require consent of all holders under the related series of the Existing HY Notes may be made with the consent of the holders of at least 90% in aggregate principal amount of such series of the New HY Notes, unless such amendments would affect holders' rights to the payment of principal or interest in which case consent of all holders would still be required per the TIA.</p> <p>Notwithstanding the foregoing, with the consent of holders of not less than 75% in aggregate principal amount of the outstanding New HY Notes of a relevant series, interest payment on such series of New HY Notes may be postponed for a period not exceeding three years from the due date originally specified for such interest payment, to the extent not prohibited under the TIA.</p>
Transfer Restrictions	<p>The New HY Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and will be <u>(the "Securities Act")</u>. <u>The New HY Notes generally should not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and persons who receive them (other than "affiliates" as described in the paragraph below) may resell them without restriction under the Securities Act.</u></p> <p><u>Under the U.S securities laws, persons who are "affiliates" of the Company or were "affiliates" of the Company within the preceding 90 days may not resell the New HY Notes without registration under the Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to certain restrictions on transfer and resale., the registration requirements of the Securities Act, such as in an offshore transaction in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act. The New HY Notes will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United</u></p>

	States. The Company does not intend to take action to facilitate a market in the New HY Notes in the United States.
Form, Denomination and Registration	The New HY Notes will be issued only in fully registered form without interest coupons and will be initially represented by one or more global notes.
Listing	Application will be made for the listing and quotation of the New HY Notes offered hereby on the SGX-ST.
Amendments to Other High Yield Covenants	The Company shall not issue any dividends unless it enters into a binding undertaking for the benefit of the holders of the New HY Notes that it shall not elect PIK interest in any PIK toggle coupon periods in the future and is in compliance with the Restricted Payment covenant of the New HY Notes.
<i>Unless otherwise noted above or the context otherwise requires, the terms of the New HY Notes shall be substantially the same as the terms of the Existing HY Notes.</i>	

2.3

(b) Terms of the CVRs

Issuer	The Company
CVRs Offered	CVRs representing the contingent right to receive (subject to the terms and conditions of the CVRs) payment in cash or, at the election of the Company, in Common Shares in lieu of cash , with an aggregate notional value equal to 7.0% of the aggregate principal amount of the New HY Notes amount of Option 1 Claims (or Claims deemed to so elect, including pursuant to the Cut-Back Mechanism), are to be issued in denominations of \$70 per CVR on the Exchange Date.
Tenor	CVRs to remain outstanding until the Maturity Date of the Series E Notes.
CVR Triggering Event	Holders of the CVRs shall be entitled to the payment of 20% of the notional value of the CVRs US\$14 for each CVR they hold, upon the occurrence of each of the following triggering events (each, a “ CVR Triggering Event ” and each amount set out in the following, a “ Market Capitalization Milestone ”): <ul style="list-style-type: none"> • Trigger A: when the Implied Market Capitalization of the Common Shares exceeds HK\$10,075,000,000 • Trigger B: when the Implied Market Capitalization of the Common Shares exceeds HK\$12,594,000,000 • Trigger C: when the Implied Market Capitalization of the Common Shares exceeds HK\$15,742,000,000 • Trigger D: when the Implied Market Capitalization of the Common Shares exceeds HK\$19,678,000,000 • Trigger E: when the Implied Market Capitalization of the Common Shares exceeds HK\$20,542,000,000

Anti-Dilution	<p>If and whenever the Company shall pay or make any Capital Distribution (as defined in the Restructured CBs <u>Convertible Bonds</u>) (but excluding any dividend or distribution of additional Common Shares) to the holders of the Common Shares on account of such Common Shares, then the market capitalization amounts set forth above <u>each of the Market Capitalization Milestones</u> shall be decreased, effective immediately after the effective date of such dividend or distribution, by the fair market value (as determined, other than in the case of cash, by the Independent Investment Bank <u>engaged</u> at the Company's expense) of the assets distributed or paid on each Common Share in respect of such dividend or distribution.</p>
Settlement	<p>Upon the occurrence of any CVR Triggering Event, the Company shall settle any payment triggered on the date that is the later of (i) six months after the satisfaction of such CVR Triggering Event and (ii) the third anniversary of the Exchange Date (each such date, a "Settlement Date"), in cash, or in the event that the Common Shares are listed on any Qualified Exchange, at the election of the Company, in Common Shares in lieu of cash, in which case, a holder of the CVRs shall be entitled to receive the number of Common Shares equal to the quotient of the notional value of the CVRs it holds that <u>aggregate amount payable with respect to each CVR Triggering Event for which the Market Capitalization Milestones as set forth above</u> has been triggered <u>met</u> and the Reference Share Price.</p>
Fundamental Changes and Events of Default	<p>Settlement of any payments triggered by a CVR Triggering Event but unpaid shall be accelerated upon the occurrence of a Fundamental Change or an event of default under the CVRs (which shall be comparable to the Events of Default set forth in the New HY Notes), and such accelerated amounts shall become immediately due and payable by the Company as an obligation that is pari passu with the Company's obligations under the New HY Notes and Restructured CBs <u>Mandatorily Exchangeable Bonds or Exchange Convertible Bonds which are issued pursuant to the Automatic Exchange Transaction</u>. If the Company is involved in any transaction which constitutes a Fundamental Change, the Holders of the CVRs will be entitled to payment prior to or in connection with such transaction of all accelerated amounts triggered by a CVR Triggering Event occurring prior to or in connection with such transaction. Notwithstanding the foregoing, if the acceleration of any payments triggered by a CVR Triggering Event was due to the occurrence of certain events of default under the CVRs (related to cross-defaults, trading suspensions or <u>delisting or any Event of Default that would result in delisting with notice or the passage of time</u>), then such payment(s) <u>with respect to cross-defaults or delisting</u> will be made in cash. However, if such an event of default <u>with respect to cross-defaults or delisting</u> is subsequently cured, then the acceleration and associated cash payment(s) shall no longer be effective following the cure of such event of default, and settlement pursuant to the settlement procedures set forth under "Settlement" above shall thereafter be available to the Company, with reference to the original date of any CVR Triggering Event that may have occurred.</p> <p>A "Fundamental Change" shall be deemed to have occurred if (1) the Company is involved in and completes a consolidation with or merger</p>

	with or into any other person (other than with one of its Subsidiaries), or any other similar transaction or series of related transactions pursuant to which the outstanding Common Shares will be converted into <u>or exchanged for</u> cash, securities or other property, or the Company sells, transfers to a third party buyer or otherwise disposes of, in one transaction or a series of related transactions, all or substantially all of the property and assets of the Company and its Subsidiaries, taken as a whole; or (2) the Shareholders of the Company approve any plan for its liquidation, dissolution or termination.
Governing Law	The CVRs will be governed by and construed in accordance with the laws of the State of New York <u>and will be qualified under the TIA.</u>
Transfer Restrictions	<p>The CVRs have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and will be <u>Securities Act. The CVRs generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and persons who receive them (other than “affiliates” as described in the paragraph below) may resell them without restriction under the Securities Act.</u></p> <p><u>Under the U.S. securities laws, persons who are “affiliates” of the Company or were “affiliates” of the Company within the preceding 90 days may not resell the CVRs without registration under the Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to restrictions on transfer and resale to the extent required by U.S. securities laws. the registration requirements of the Securities Act, such as in an offshore transaction in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act. The CVRs will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States. The Company does not intend to take action to facilitate a market in the CVRs in the United States.</u></p>
Book Entry	The CVRs will be issued in book-entry form through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear and Clearstream.
Listing	Application will be made for the listing and quotation of the CVRs offered hereby on the SGX- <u>ST</u> . The CVRs shall be listed and traded separately from the New HY Notes.

2.4

(c) Terms of the ~~Restructured CBs~~ Mandatorily Exchangeable Bonds

<i>Terms of the Restructured CBs shall be as follows:</i>	
Issuer	The Company
Convertible <u>Mandatorily Exchangeable Bonds</u> after the Restructuring-	USD-denominated and USD-settled variable rate convertible bonds due December 31, 2019 <u>mandatorily exchangeable bonds due 31 December 2019 which shall be mandatorily exchanged into Exchange Convertible Bonds pursuant to the Automatic Exchange Transaction (as defined below).</u>

The maximum principal amount of the ~~Restructured CBs~~Mandatorily Exchangeable Bonds shall be equal to the Exchange Date Principal Amount represented by the Convertible Bonds.

For the avoidance of doubt, the principal and unpaid interest of the Convertible Bonds will be deemed to be a USD-denominated claim as of and from its original maturity date of 20 December 2015, calculated using the Spot Rate as at 17 December 2015 in accordance with the existing terms of the Convertible Bonds.

As soon as reasonably practicable after the resumption of trading of the Common Shares on the Hong Kong Stock Exchange, the Company shall (i) procure a general meeting of its shareholders (the “Shareholders’ Meeting”) to pass all necessary resolutions (the “Shareholder Resolutions”) to issue the Exchange Convertible Bonds and to allot and issue new Common Shares upon the exercise of the conversion rights attached to the Exchange Convertible Bonds and any Common Shares to be issued pursuant to PIK interest accrued on or before the date of the Shareholder Resolutions (the “Accrued PIK Interest”) and any Common Shares that may be issued pursuant to any PIK interest that may be capitalized and added to the then current outstanding principal amount of the Exchange Convertible Bonds from the date of the Shareholder Resolutions until 31 December 2019 (the “Future PIK Interest”) and (ii) obtain all necessary approvals in accordance with the relevant rules and regulations of the Hong Kong Stock Exchange, for the trading of the new Common Shares to be issued upon the conversion of the Exchange Convertible Bonds, with a principal amount equal to the Maximum MEB Amount (or, if lower, the MEB Election Amount) together with any Accrued PIK Interest, on the Hong Kong Stock Exchange (the “Listing Approvals” and together with the Shareholder Resolutions, the “Mandatory Exchange Conditions”).

As soon as reasonably practicable after the resumption of trading of the Common Shares on the Hong Kong Stock Exchange, the Company shall use commercially reasonable efforts to request all necessary approvals in accordance with the relevant rules and regulations of the Hong Kong Stock Exchange for the trading of the new Common Shares to be issued upon the conversion of the Future PIK Interest (the “Future PIK Listing Approval”). Until the Future PIK Listing Approval has been granted by the Hong Kong Stock Exchange, the Company shall have no right to elect PIK interest in any PIK toggle coupon periods on the Exchange Convertible Bonds.

The Company shall, as soon as reasonably practicable after receiving any rejection of an application for the Listing Approvals or Future PIK Listing Approval, provide evidence of such rejection to the New MEB Trustee, or the trustee of the Exchange Convertible Bonds, as the case may be.

If, on any date following the Exchange Date the Mandatory Exchange Conditions are satisfied, then upon ~~no less than [three] Business Days’~~ notice by the Company to the New MEB Trustee of the satisfaction of

the Mandatory Exchange Conditions, all of the then outstanding principal amount of Mandatorily Exchangeable Bonds will be automatically exchanged for an equal aggregate principal amount of Exchange Convertible Bonds to be issued by the Company under a new trust deed on the same terms as the Mandatorily Exchangeable Bonds, other than the conversion terms summarised in Clause 2.2(d) below and other customary covenants and events of default for convertible bonds consistent with the Convertible Bonds (the “Automatic Exchange Transaction”).

The Automatic Exchange Transaction will be completed on a cashless basis by exchanging the outstanding Mandatorily Exchangeable Bonds for Exchange Convertible Bonds, and no consent or any other action will be required by the holders of the Mandatorily Exchangeable Bonds or the New MEB Trustee for the Automatic Exchange Transaction. The Mandatorily Exchangeable Bonds will be automatically cancelled, and the guarantee will be automatically released and terminated, upon consummation of the Automatic Exchange Transaction.

By accepting a Mandatorily Exchangeable Bond, each holder will be deemed to have (i) agreed to be bound by the Automatic Exchange Transaction, and (ii) irrevocably authorised and directed the New MEB Trustee or any other person required to complete the Automatic Exchange Transaction, to take all actions required to consummate the Automatic Exchange Transaction without the need for further direction from such holder under the trust deed.

~~With respect to the difference of the above principal amount of the Restructured CBs and the Convertible Bonds outstanding on the Exchange Date, the Company shall use commercially reasonable efforts to request (as soon as practicable, but in any event no later than 15 business days after the resumption of trading of the Common Shares on The Stock Exchange of Hong Kong Limited) and obtain all necessary approvals in accordance with relevant rules and regulations of The Stock Exchange of Hong Kong Limited for issuance of such additional principal amount of the Restructured CBs as soon as practicable. Notwithstanding the foregoing, if the Company fails to obtain such approvals: (a) when a holder of the Restructured CBs elects to exercise its Conversion Rights (as defined in the Convertible Bonds) during the Conversion Period set out below (“Conversion Event”), the Company shall pay to such holder, in cash, an amount equal to the product of (i) the additional number of Common Shares that such holder would have been entitled to receive should the principal amount be increased to the principal amount of the Restructured CBs as set forth in the paragraph immediately above on the Exchange Date (subject to the anti-dilution provisions set forth below and adjusted for all accrued interest on such additional Restructured CBs as if such Restructured CBs had been issued on the Exchange Date) and (ii) 30-day VWAP immediately before the occurrence of the Conversion Event; or (b) upon redemption of the Restructured CBs, the Company shall pay to such holder, in cash, an amount equal to the principal amount of such additional Restructured CBs (adjusted for all accrued interest on such additional Restructured CBs as if such Restructured CBs had been issued on the Exchange Date)~~Contemporaneous with the

	<u>consummation of the Automatic Exchange Transaction, the Company will enter into and procure that each Subsidiary Guarantor Pledgor shall grant a customary security confirmation and supplemental charge in respect of the Collateral and the Exchange Convertible Bonds in favour of the Common Security Trustee and provide to the Common Security Trustee all customary related corporate formality documents and associated legal opinions from the Company's legal counsel in respect of the supplemental charges.</u>
Maturity	<u>31 December-31, 2019</u> , which may, at the option of the Company, be extended by one year to <u>31 December-31, 2020</u> .
Interest	Payable semi-annually in arrears on each Interest Payment Date at the rates specified in the table below.
Intercreditor Agreement	On the Exchange Date, each <u>of the New HY Notes</u> Trustee, for the benefit of the holders of the relevant series of the New HY Notes, will accede to the New MEB Trustee for the benefit of the holders of the relevant series of the Mandatorily Exchangeable Bonds and the Common Security Trustee will enter into the <u>Amended and Restated Intercreditor Agreement</u> , which will provide that the security interest in the Collateral will be shared on a pari passu basis among (i) the <u>CBNew MEB</u> Trustee for the benefit of the holders of the <u>Restructured CBs</u> , (ii) each <u>Mandatorily Exchangeable Bonds (and any subsequent trustee with respect to the Exchange Convertible Bonds which are issued pursuant to the Automatic Exchange Transaction)</u> ; (ii) each <u>New HY Notes</u> Trustee for the benefit of the holders of the relevant series of the New HY Notes, (iii) the creditors with respect to other existing Permitted Pari Passu Secured Indebtedness and (iv; and (iii) any other creditors with respect to future Permitted Pari Passu Secured Indebtedness.
Conversion Period	Same as the Convertible Bonds, except that "30 January 2011" in Condition 6(A)(i) shall be replaced by a date that is 41 calendar days after the Exchange Date.
Conversion Price	Same as the Convertible Bonds, except that the Company shall use commercially reasonable efforts to request (as soon as practicable, but in any event no later than 15 business days after the resumption of trading on the Common Shares on The Stock Exchange of Hong Kong Limited) and obtain all necessary approvals in accordance with relevant rules and regulations of The Stock Exchange of Hong Kong Limited to reduce the current conversion price of HK\$2.64 per Share, as set out and adjusted pursuant to Condition 6(A) (iii) of the Convertible Bonds, to "HK\$2.34 per Share" as soon as practicable. Notwithstanding the foregoing, if the Company fails to obtain such approvals before the occurrence of a Conversion Event, the Company shall pay to such holder, in cash, an amount equal to the product of (i) the additional number of Common Shares that such holder would have been entitled to receive should the conversion price be reduced to HK\$2.34 per Share on the Exchange Date (subject to the anti-dilution provisions set forth below) and (ii) 30-day VWAP immediately before the occurrence of the Conversion Event.
Anti-Dilution	Same as the Convertible Bonds, with carve-outs to such anti-dilution

	protections for any dilution as a result of the settlement of the CVRs in Common Shares in lieu of cash.
Redemption for Delisting or Change of Control	Same as the Convertible Bonds (provided that the ongoing current suspension on the trading of the Common Shares, the failure to lift such suspension and any delisting of the Common Shares arising from such suspension on trading shall not entitle the holder of a Restructured CB <u>Mandatorily Exchangeable Bond</u> to require the redemption of the Restructured CBs <u>Mandatorily Exchangeable Bonds</u> by reason of the occurrence of a Relevant Event (as defined in the Convertible Bonds).
<u>Mandatory Redemption</u>	<u>If the Company fails to obtain the Listing Approvals within 60 days of the resumption of trading of the Common Shares which are suspended as of the Exchange Date and such failure continues for a period of 30 consecutive days, the holder of a Mandatorily Exchangeable Bond shall be entitled to require the redemption of its Mandatorily Exchangeable Bonds on the date which is 120 days from the resumption of trading of the Common Shares (the “Mandatory Redemption Date”), at par plus the MEB Redemption Amount.</u>
Events of Default and other ancillary matters including (i) Provision of Financial Statements and Reports, (ii) Use of Proceeds from Issuance of Future Permitted Pari Passu Secured Indebtedness and (iii) Limitation on Issuance of Future Subordinated Indebtedness or Equity (or an instrument that is a hybrid thereof)	Substantially the same as the New HY Notes. <u>In addition, if the Shareholder Resolutions fail to be passed within 60 days of the resumption of trading of the Common Shares which are suspended as of the Exchange Date, and such failure continues for a period of 30 consecutive days, that shall also constitute an Event of Default.</u>
<u>Governing Law</u>	<u>The Mandatorily Exchangeable Bonds will be governed by and construed in accordance with the laws of England and Wales and will be qualified under the TIA.</u>
<u>Transfer Restrictions</u>	<u>The Mandatorily Exchangeable Bonds will not be registered under the Securities Act. The Mandatorily Exchangeable Bonds generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and persons who receive them (other than “affiliates” as described in the paragraph below) may resell them without restriction under the Securities Act.</u> <u>Under the U.S securities laws, persons who are “affiliates” of the Company or were “affiliates” of the Company within the preceding 90</u>

	<p><u>days may not resell the Mandatorily Exchangeable Bonds without registration under the Securities Act, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, such as in an offshore transaction in accordance with Regulation S under the Securities Act or in accordance with Rule 144 under the Securities Act. The Mandatorily Exchangeable Bonds will not be listed on a U.S. securities exchange or any inter-dealer quotation system in the United States. The Company does not intend to take action to facilitate a market in the Mandatorily Exchangeable Bonds in the United States.</u></p>
--	---

~~2.5~~

(d) Additional Terms of Exchange Convertible Bonds

<u>Conversion Period</u>	<u>Same as the Convertible Bonds, except for the maturity date as set out in the Mandatorily Exchangeable Bonds.</u>
<u>Conversion Price</u>	<u>HK\$2.34 per share, subject to adjustment by reference to any events which would have caused that price to be adjusted had the Exchange Convertible Bonds been issued on the Exchange Date (“Conversion Price”).</u>
<u>Anti-Dilution</u>	<u>Same as the Convertible Bonds, with carve-outs to such anti-dilution protections for any dilution as a result of the settlement of the CVRs in Common Shares in lieu of cash.</u>
<u>Interest</u>	<u>Same as the Mandatorily Exchangeable Bonds, but if the date of exchanging the Mandatorily Exchangeable Bonds into Exchange Convertible Bonds is not an Interest Payment Date then the interest rate for the first interest period under the Exchange Convertible Bonds shall be calculated on the basis that the interest period started on the previous Interest Payment Date under the Mandatorily Exchangeable Bonds, so that any accrued but unpaid PIK interest or cash interest on the date of exchange will be paid on the first Interest Payment Date under the Exchange Convertible Bonds.</u>

(e) Coupon Rates on the New HY Notes and Restructured CBs, the Mandatorily Exchangeable Bonds and the Exchange Convertible Bonds

All coupon rates are expressed on an annual basis (see Note 1).

Issue	2016		2017		30 June 30, 2018		31 December 31, 2018		2019 Onwards			
	PIK	Cash	PIK toggle PIK or Cash	Cash	PIK toggle PIK or Cash	Cash	PIK toggle PIK or Cash	Cash	PIK			
Series A Notes	<u>6.06.56</u> %	<u>1.01.00</u> %	<u>6.06.56</u> %	<u>4.04.61</u> %	<u>2.02.00</u> %	<u>4.14.66</u> %	<u>3.13.71</u> %	<u>4.14.10</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>6.16.10</u> %	<u>0.56</u> %
Series B Notes	<u>6.06.56</u> %	<u>1.01.00</u> %	<u>6.06.56</u> %	<u>4.04.61</u> %	<u>2.02.00</u> %	<u>5.66.16</u> %	<u>4.65.21</u> %	<u>5.65.60</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>7.67.60</u> %	<u>0.56</u> %
Series C Notes	<u>6.06.56</u> %	<u>1.01.00</u> %	<u>6.06.56</u> %	<u>4.04.61</u> %	<u>2.02.00</u> %	<u>6.67.16</u> %	<u>5.66.21</u> %	<u>6.66.60</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>8.68.60</u> %	<u>0.56</u> %
Series D Notes	<u>6.06.56</u> %	<u>1.01.00</u> %	<u>6.06.56</u> %	<u>4.04.61</u> %	<u>2.02.00</u> %	<u>7.47.96</u> %	<u>6.47.01</u> %	<u>7.47.40</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>9.49.40</u> %	<u>0.56</u> %
Series E Notes	<u>6.06.56</u> %	<u>1.01.00</u> %	<u>6.06.56</u> %	<u>4.04.61</u> %	<u>2.02.00</u> %	<u>7.98.46</u> %	<u>6.97.51</u> %	<u>7.97.90</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>9.99.90</u> %	<u>0.56</u> %
Restructured CBs Mandatorily Exchangeable Bonds and the Exchange Convertible Bonds (see Note 2)	<u>5.05.56</u> %	<u>1.01.00</u> %	<u>5.05.56</u> %	<u>3.03.61</u> %	<u>2.02.00</u> %	<u>4.04.56</u> %	<u>3.03.61</u> %	<u>4.04.00</u> %	<u>2.02.56</u> %	<u>2.02.61</u> %	<u>6.06.00</u> %	<u>0.56</u> %

Note:

- Interest on any overdue principal and interest will accrue at a rate which is 2% higher than the coupon rates expressed herein.
- The **Restructured CBs Mandatorily Exchangeable Bonds and Exchange Convertible Bonds** are subject to an optional one-year extension at the Company's option at a 10% annualized cash coupon rate.

SCHEDULE 4
ACCESSION DEED
(FOR USE BY SCHEME CREDITORS WHO ARE NOT ALREADY PARTY
TO THE RESTRUCTURING SUPPORT AGREEMENT)

Date: [●]

To: Kaisa Group Holdings, Ltd, c/o Lucid Issuer Services Limited

Attention: David Shilson / Sunjeeve Patel

From: [Name of Additional Consenting Creditor and address]

Dear Sirs,

Restructuring Support Agreement
dated [●] 2016 (the “Agreement”)

1. We refer to the Agreement. This is an Accession Deed as defined in the Agreement. Except as otherwise defined herein, terms defined in the Agreement have the same meaning when used in this Accession Deed.
2. We agree, for the benefit of each Party, to be a Consenting Creditor under the Agreement and to be bound by the terms of the Agreement as a Consenting Creditor.
3. We agree, represent and warrant to each other Party on the date of this Accession Deed that (subject to any Transfers effected in accordance with Clause 10 (*Transfers*) of the Agreement), we or the entity that we represent (if applicable) are the beneficial owner of and have full power to vote in respect of, deal with, approve changes to, dispose of and transfer (free and clear of any and all Encumbrances) (or are able to direct the legal and beneficial owner of) the Existing Notes and/or Existing Offshore Loans as set out below all of which constitute Supporting Notes pursuant to the [RSA Agreement](#):

Existing Notes	ISIN Number	Principal amount of Existing Notes held or controlled at the date of this Accession Deed <u>which are hereby delivered as Supporting Notes under the Agreement</u>

RMB 1,500,000,000 USD Settled 8% Convertible Bonds due 2015 issued by the Company pursuant to the 2015 Trust Deed	XS0566792353	
RMB1.8 billion 6.875% Senior Notes due 2016 issued by the Company pursuant to the 2016 Indenture	HK0000146719	
US\$250 million 12.875% Senior Notes due 2017 issued by the Company pursuant to the 2017 Indenture	XS0828366756	
US\$800 million 8.875% Senior Notes due 2018 issued by the Company pursuant to the 2018 Indenture	USG52132AF72	
	US48300TAB89	
US\$400 million 9% Senior Notes due 2019 issued by the Company pursuant to the 2019 Indenture	XS1071368861	
US\$500 million 10.25% Senior Notes due 2020 issued by the Company pursuant to the 2020 Indenture	XS0871580477	

<u>Existing Offshore Loan</u>	<u>Lender/Creditor</u>	<u>Principal amount of Existing Offshore Loan</u>	<u>Amount outstanding under Existing Offshore Loan as</u>	<u>Principal amount of Existing Offshore Loan held at the date</u>
-------------------------------	------------------------	---	---	--

			<u>at the date of this Accession Deed</u>	<u>of this Accession Deed</u>
<u>Loan Facility dated 2 August 2013</u>	<u>HSBC</u>	<u>HK\$400 million</u>		
<u>Loan Facility dated 26 May 2014</u>	<u>HSBC</u>	<u>HK\$350 million</u>		
		<u>HK\$400 million</u>		
<u>2002 ISDA Master Agreement dated 11 April 2013, its Schedules and Confirmations</u>	<u>HSBC</u>			
<u>Loan Facility dated 2 September 2013</u>	<u>ICBC</u>	<u>HK\$250 million</u>		

Existing Offshore Loan	Lender/Creditor	Principal amount of Existing Offshore Loan	Amount outstanding under Existing Offshore Loan as at the date of this Accession Deed	Principal amount of Existing Offshore Loan held at the date of this Accession Deed
Loan Facility dated 2 August 2013	HSBC	HK\$400 million		
Loan Facility dated 26 May 2014	HSBC	HK\$350 million		
		HK\$400 million		
2002 ISDA Master Agreement dated 11 April 2013, its Schedules and Confirmations	HSBC			
Loan Facility dated 2 September 2013	ICBC	HK\$250 million		

Please specify the name of the Scheme Creditor if different from the Consenting Creditor: [●]

Name of Clearing System Account Holder (in the case of Existing Notes): [●]

4. The contact details of [*Additional Consenting Creditor*] for any communication or document to be made or delivered under or in connection with the Agreement are as follows:

Address: [●]

Tel number: [●]

Fax number: [●]

Email: [●]

Contact person: [●]

+++PLEASE PROVIDE PAYMENT DETAILS IN THE SAME CURRENCY

AS THE SECURITIES THAT YOU HOLD+++

Bank account details for the Consent Fee (USD):

Bank Name [●]

SWIFT/BIC code [●]

Account Number [●]

Account Name [●]

Bank account details for the Consent Fee (RMB):

Bank Name [●]

SWIFT/BIC code [●]

Account Number [●]

Account Name [●]

Bank account details for the Consent Fee (HKD):

Bank Name [●]

SWIFT/BIC code [●]

Account Number [●]

Account Name [●]

5. This Accession Deed shall be governed by and construed in accordance with Hong Kong law.
6. We would request that you treat the existence and contents of this Accession Deed with the utmost confidence and that you do not disclose these to any person without our prior written consent.

Executed and delivered as a deed by:

[*The Additional Consenting Creditor*]

.....

Name:

The completed and executed Accession Deed must be submitted to the Information Agent **by the RSA Deadline** either via email in pdf format to kaisa@lucid-is.com or via fax to +44 207 067 9098.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London
WC1H 8HA
England

Attention: David Shilson / Sunjeeve Patel

Telephone: +44 20 7704 0880
Email: kaisa@lucid-is.com
Facsimile: + 44 20 7067 9098

**SCHEDULE 5
SUPPORTING NOTES NOTICE**

**(FOR USE BY SCHEME CREDITORS WHO ARE ALREADY PARTY TO THE
RESTRUCTURING SUPPORT AGREEMENT)**

Date: [●]

To: Kaisa Group Holdings, Ltd., c/o Lucid Issuer Services Limited

Attn: David Shilson / Sunjeeve Patel

From: [Name of Consenting Creditor and Address]

Dear Sirs,

**Restructuring Support Agreement
dated [●] 2016 (the “Agreement”)**

1. We refer to the Agreement. This is a Supporting Notes Notice as defined in the Agreement. Except as otherwise defined herein, terms defined in the Agreement have the same meaning when used in this Supporting Notes Notice.
2. We hereby notify you that, as at the date of this Supporting Notes Notice, the aggregate principal amount of our Supporting Notes is as follows:

Existing Notes	ISIN Number	Principal amount of Existing Notes held or controlled at the date of this Supporting Notes Notice <u>which are hereby delivered as Supporting Notes under the Agreement</u>
RMB 1,500,000,000 USD Settled 8% Convertible Bonds due 2015 issued by the Company pursuant to the 2015 Trust Deed	XS0566792353	

RMB1.8 billion 6.875% Senior Notes due 2016 issued by the Company pursuant to the 2016 Indenture	HK0000146719	
US\$250 million 12.875% Senior Notes due 2017 issued by the Company pursuant to the 2017 Indenture	XS0828366756	
US\$800 million 8.875% Senior Notes due 2018 issued by the Company pursuant to the 2018 Indenture	USG52132AF72	
	US48300TAB89	
US\$400 million 9% Senior Notes due 2019 issued by the Company pursuant to the 2019 Indenture	XS1071368861	
US\$500 million 10.25% Senior Notes due 2020 issued by the Company pursuant to the 2020 Indenture	XS0871580477	

<u>Existing Offshore Loan</u>	<u>Lender/Creditor</u>	<u>Principal amount of Existing Offshore Loan</u>	<u>Amount outstanding under Existing Offshore Loan as at the date of this Supporting Notes Notice</u>	<u>Principal amount of Existing Offshore Loan held at the date of this Supporting Notes Notice</u>
<u>Loan Facility dated 2 August 2013</u>	<u>HSBC</u>	<u>HK\$400 million</u>		
<u>Loan Facility dated 26 May 2014</u>	<u>HSBC</u>	<u>HK\$350 million</u>		
		<u>HK\$400 million</u>		

<u>2002 ISDA Master Agreement dated 11 April 2013, its Schedules and Confirmations</u>	<u>HSBC</u>			
<u>Loan Facility dated 2 September 2013</u>	<u>ICBC</u>	<u>HK\$250 million</u>		

Existing Offshore Loan	Lender/Creditor	Principal amount of Existing Offshore Loan	Amount outstanding under Existing Offshore Loan as at the date of this Supporting Notes Notice	Principal amount of Existing Offshore Loan held at the date of this Supporting Notes Notice
Loan Facility dated 2 August 2013	HSBC	HK\$400 million		
Loan Facility dated 26 May 2014	HSBC	HK\$350 million		
		HK\$400 million		
2002 ISDA Master Agreement dated 11 April 2013, its Schedules and Confirmations	HSBC			
Loan Facility dated 2 September 2013	ICBC	HK\$250 million		

Please specify the name of the Scheme Creditor if different from the Consenting Creditor: [●]

3. This Supporting Notes Notice shall be governed by and construed in accordance with Hong Kong law.
4. We would request that you treat the existence and contents of this Supporting Notes Notice with the utmost confidence and that you do not disclose these to any person without our prior written consent.

Yours faithfully,

[The Consenting Creditor]

.....

Name:

The executed Supporting Notes Notice must be submitted to the Information Agent either via email in pdf format to kaisa@lucid-is.com or via fax to +44 207 067 9098.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London
WC1H 8HA
England

Attention: David Shilson / Sunjeeve Patel

Telephone: +44 20 7704 0880
Email: kaisa@lucid-is.com
Facsimile: + 44 20 7067 9098

SCHEDULE 6
NOTICE OF TRANSFER

Date: []

To: Kaisa Group Holdings Ltd (“**Company**”), c/o Lucid Issuer Services Limited

Attn: David Shilson / Sunjeeve Patel

From: [Transferor] (“**Transferor**”)

and

[Transferee] (“**Transferee**”)

Dear Sirs,

We refer to the outstanding indebtedness of [] (“**Debt**”) owed by the Company to the Transferor pursuant to the following:

- (1) *[describe debt/loan assigned]*;
- (2) *[describe assignments thereafter]*,

(together the “**Documents**”).

We hereby give you notice that the Debt and the Transferor’s rights under the Documents have been assigned and transferred to the Transferee whose details are as follows:

Address: [●]

Fax number: [●]

Email: [●]

For the attention of: [●]

All amounts relating to the Debt should be paid to the Transferee and all communications in relation to the Debt and Documents should be referred to the Transferee.

Yours faithfully

..... for and on behalf of [Transferor] for and on behalf of [Transferee]
---	---

The executed Notice of Transfer must be submitted to the Information Agent either via email in pdf format to kaisa@lucid-is.com or via fax to +44 207 067 9098.

FOR ASSISTANCE CONTACT THE INFORMATION AGENT:

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London
WC1H 8HA
England

Attention: David Shilson / Sunjeeve Patel

Telephone: +44 20 7704 0880
Email: kaisa@lucid-is.com
Facsimile: + 44 20 7067 9098

SIGNATURE PAGES

KAISA GROUP HOLDINGS, LTD

By: _____

Name:

Title:

THE GROUP COMPANIES

Chang Ye Investment Company Limited By: _____ Name: Title:	Da Hua Investment Company Limited By: _____ Name: Title:
Dong Chang Investment Company Limited By: _____ Name: Title:	Dong Sheng Investment Company Limited By: _____ Name: Title:
Guang Feng Investment Company Limited By: _____ Name: Title:	Heng Chang Investment Company Limited By: _____ Name: Title:
Jie Feng Investment Company Limited By: _____ Name: Title:	Jin Chang Investment Company Limited By: _____ Name: Title:
Rong Hui Investment Company Limited By: _____ Name: Title:	Rui Jing Investment Company Limited By: _____ Name: Title:
Tai He Xiang Investment Company Limited By: _____ Name: Title:	Xie Mao Investment Company Limited By: _____ Name: Title:

<p>Ye Chang Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Zheng Zhong Tian Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Tai He Sheng Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Tai An Da Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Tai Chang Jian Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Tai Chong Fa Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Tai Chong Li Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Bakai Investments Limited</p> <p>By: _____ Name: Title:</p>
<p>Yifa Trading Limited</p> <p>By: _____ Name: Title:</p>	<p>Advance Guard Investments Limited</p> <p>By: _____ Name: Title:</p>
<p>Victor Select Limited</p> <p>By: _____ Name: Title:</p>	<p>Central Broad Limited</p> <p>By: _____ Name: Title:</p>

<p>Guo Cheng Investments Limited</p> <p>By: _____ Name: Title:</p>	<p>Ri Xiang Investments Limited</p> <p>By: _____ Name: Title:</p>
<p>Yin Jia Investments Limited</p> <p>By: _____ Name: Title:</p>	<p>Kaisa Investment Consulting Limited</p> <p>By: _____ Name: Title:</p>
<p>Cornwell Holdings (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>	<p>Goldenform Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Hong Kong Jililong Industry Co., Limited</p> <p>By: _____ Name: Title:</p>	<p>Kaisa Holdings Limited</p> <p>By: _____ Name: Title:</p>
<p>Leisure Land Hotel Management (China) Limited</p> <p>By: _____ Name: Title:</p>	<p>Regal Silver Manufacturing Limited</p> <p>By: _____ Name: Title:</p>
<p>Success Take International Limited</p> <p>By: _____ Name: Title:</p>	<p>Woodland Height Holdings Limited</p> <p>By: _____ Name: Title:</p>

<p>Yi Qing Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Yong Rui Xiang Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Zhan Zheng Consulting Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Kaisa Investment (China) Limited</p> <p>By: _____ Name: Title:</p>
<p>Wan Rui Fa Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Wan Rui Chang Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Wan Tai Chang Investment Company Limited</p> <p>By: _____ Name: Title:</p>	<p>Wan Jin Chang Investment Company Limited</p> <p>By: _____ Name: Title:</p>
<p>Multi-Shiner Limited</p> <p>By: _____ Name: Title:</p>	<p>Hong Kong Kaisa Industry Co., Limited</p> <p>By: _____ Name: Title:</p>
<p>Bakai Investments (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>	<p>Topway Asia Group Limited</p> <p>By: _____ Name: Title:</p>

<p>Kaisa Finance Holdings Limited</p> <p>By: _____ Name: Title:</p>	<p>Hong Kong Kaisa Trading Limited</p> <p>By: _____ Name: Title:</p>
<p>Hong Kong Wanyuchang Trading Limited</p> <p>By: _____ Name: Title:</p>	<p>Hong Kong Zhaoruijing Trading Limited</p> <p>By: _____ Name: Title:</p>
<p>Profit Victor Investments (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>	<p>Central Broad (Hong Kong) Investment Limited</p> <p>By: _____ Name: Title:</p>
<p>Guo Cheng (Hong Kong) Investment Limited</p> <p>By: _____ Name: Title:</p>	<p>Ri Xiang (Hong Kong) Investment Limited</p> <p>By: _____ Name: Title:</p>
<p>Yin Jia (Hong Kong) Investment Limited</p> <p>By: _____ Name: Title:</p>	<p>Jet Smart Global Development Limited</p> <p>By: _____ Name: Title:</p>
<p>Apex Walk Limited</p> <p>By: _____ Name: Title:</p>	<p>Vast Wave Limited</p> <p>By: _____ Name: Title:</p>

<p>Xian Zhang Limited</p> <p>By: _____ Name: Title:</p>	<p>Rich Tech Hong Kong Investment Limited</p> <p>By: _____ Name: Title:</p>
<p>Apex Walk (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>	<p>Vast Wave (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>
<p>Xian Zhang (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>	<p>Fulbright Financial Group (Enterprise) Limited</p> <p>By: _____ Name: Title:</p>
<p>Fulbright Financial Group (Development) Limited</p> <p>By: _____ Name: Title:</p>	<p>Fulbright Financial Group (Hong Kong) Limited</p> <p>By: _____ Name: Title:</p>

THE INITIAL CONSENTING CREDITORS

By: _____

Name:

Title:

Bank account details for the Consent Fee:

Bank Name

SWIFT/BIC code

Account Number

Account Name