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## CHINA YUHUA EDUCATION CORPORATION LIMITED

### 中国宇华教育集团有限公司

(於開曼群島註冊成立的有限責任公司)

(股份代號：6169及債務股份代號：40109)

#### 發行之

#### 於2024年到期的0.90%可換股債券

#### 就特別決議案徵求電子同意書

本公告乃由中国宇华教育集团有限公司(「本公司」，連同其附屬公司及綜合聯屬實體統稱「本集團」)根據香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)第13.09(2)及37.47E(a)條以及香港法例第571章證券及期貨條例第XIVA部項下之內幕消息條文(定義見上市規則)而作出。

茲提述可換股債券及本公司日期為2022年11月30日及2022年12月28日之公告(統稱「該等公告」)。

除另有界定者外，本公告所用詞彙與該通告(定義見下文)及該等公告(如適用)所界定者具有相同涵義。

本公司已於今日根據信託契據附表3第22條(書面決議案及電子同意書)透過Euroclear Bank SA/NV及Clearstream Banking S.A.向債券持有人發出及發送特別決議案通告(日期為2023年1月12日)(「**該通告**」)，以要求債券持有人透過電子同意書考慮及酌情批准及通過特別決議案(定義見該通告)，該電子同意書將就可換股債券作出若干修訂及豁免，更多詳情載於該通告。

## 背景

誠如本公司日期為2022年12月28日之公告所述，各可換股債券持有人有權選擇要求本公司於2022年12月27日(「**選擇沽售日期**」)按本金額連同截至該日(不包括該日)之應計利息贖回該持有人之全部或僅部分可換股債券(「**認沽期權**」)。持有債券全部未償還本金額的債券持有人已行使認沽期權。本公司並無於選擇沽售日期贖回相關可換股債券，其觸發了債券條件項下之違約事件。

本公司與一組可換股債券持有人代表已就訂立補充信託契據及補充代理協議進行討論，以(其中包括)重組可換股債券之條款及條件以及豁免債券條件項下之若干條件(「**建議交易**」)。建議交易的條款載於該通告、補充信託契據表(隨附於附件A)及補充代理協議表(隨附於附件B)，並包括(其中包括)建議修訂及建議豁免。

本公司預期將於合理可行情況下盡快開始尋求批准以電子同意書方式進行建議交易。在此背景下，本公司尋求債券持有人同意批准特別決議案所載之建議事項。

## 特別決議案之電子同意書

該通告為要件，請即處理。閣下如對該通告所述建議及／或應採取的行動有任何疑問，建議應即時諮詢閣下的股票經紀、銀行經理、律師、會計師或（如閣下身處英國）二零二零年金融服務及市場法認可的其他專業顧問或其他適當認可的獨立財務顧問。概無受託人或代理就債券持有人是否或如何就建議投票作出任何推薦建議。

該通告不構成出售或招攬購買任何證券的要約，並就特別決議案向持有人發出（僅以有關身份）。

在若干司法權區派發該通告可能受到法律限制。獲得該通告之人士須自行了解並遵守任何此類限制。

如閣下近期已出售或以其他方式轉讓下文所述閣下所持有的全部債券，應立即將該通告送交買方或受讓人，或送交經手出售或轉讓的股票經紀、銀行或代理，以便轉交買方或受讓人。

中国宇华教育集团有限公司（「發行人」）  
提呈的

於2024年到期的0.90%未償還可換股債券

（ISIN：XS2089158609，通用代碼：208915860）持有人（「債券」及  
該等債券持有人「債券持有人」）

以電子同意書通過的

特別決議案通告

電子同意書時間：2023年1月18日下午四時正（倫敦時間）

茲通告根據構成債券並由發行人與紐約梅隆銀行倫敦分行(作為債券持有人的受託人(「**受託人**」))訂立的日期為2019年12月27日的信託契據附表3的條文(「**信託契據**」)，發行人建議債券持有人根據信託契據附表3第22條(書面決議案及電子同意書)以電子同意書方式透過Euroclear Bank SA/NV及Clearstream Banking S.A.通過以下特別決議案(「**特別決議案**」)。

除文義另有指明外，該通告所用但未界定的詞彙具有信託契據所賦予的涵義。

於該通告日期，債券的未償還本金額為1,474,000,000港元。

毋須就電子同意書支付同意書費用。

### 特別決議案

特別決議案的條款如下：

「動議憑藉、根據及通過本特別決議案，由中国宇华教育集团有限公司(「**發行人**」)發行並由發行人與紐約梅隆銀行倫敦分行(作為債券持有人的受託人(「**受託人**」))訂立的日期為2019年12月27日的信託契據的條文(「**信託契據**」)構成的於2024年到期的0.90%未償還可換股債券(ISIN：XS2089158609，通用代碼：208915860)(「**債券**」)(其中目前本金總額1,474,000,000港元未償還)的持有人通過提交彼等電子投票指示議決：

1. 同意、認可及批准建議修訂；
2. 同意、認可及批准以下建議豁免：
  - a. 直接因不付款事件已經或可能發生的任何潛在違約事件或違約事件；

- b. 直接因以下情況而已經或可能已發生的任何潛在違約事件或違約事件：(a)發行人未能根據條件8(D)就因股份於2022年12月1日在香港聯交所暫停買賣而已經發生的相關事件(「**適用相關事件**」)遞交通告及(b)發行人因適用相關事件而未能根據條件8(D)贖回債券；及
- c. 根據條件7(E)未支付債券應計的任何違約利息而導致的任何潛在違約事件或違約事件(「**違約利息豁免**」)，

然而，倘發行人(a)未能於本特別決議案獲通過當日(「**實施日期**」)後不遲於一個營業日簽立及交付建議修訂文件(以本特別決議案隨附的草案形式，連同受託人要求的有關修訂或豁免(如有))及履行其於建議修訂文件項下的責任，(b)未能於實施日期後不遲於一個營業日向受託人(以一組可換股債券持有人代表法律顧問的身份複製年利達律師事務所)提供指示，以向主要代理支付根據債券條款及條件第8(F)項條件(於建議修訂生效後)應付的所有款項，或(c)僅就違約利息豁免而言，未能遵守債券第8(F)項條款及受其條件規限(於建議修訂生效後)(在此情況下，自2022年12月27日起就債券未償還本金額應計之違約利息將恢復並繼續累計及維持到期及應付)，則建議豁免將不再適用。

為免生疑問並受上述段落規限，吾等確認並了解，在根據本特別決議案的條款實施建議豁免後，任何債券持有人就該等條件第8(E)條交付的任何選擇沽售通知書無效，並且發行人將不會就其採取行動。

3. 批准、要求、授權及指示受託人贊同、簽署及進行所有其他契據、文據、行動及事宜，並採取所有必要、應當或適宜的措施，以實行及執行本特別決議案並實施建議；
4. 批准、要求、授權、指示及指導受託人同意建議，並且根據受託人於實施日期要求的有關修訂或豁免(如有)即時簽立及遞交本特別決議案隨附的草擬本形式的建議修訂文件，使建議生效並實施建議。建議修訂將於建議修訂文件簽署後生效；
5. 解除、放棄和免除受託人根據信託契約、代理協議或債券，因與建議、建議修訂文件、本特別決議案或其實施、本特別決議案所述修改或該等修改的實施有關的任何作為或不作為而對債券持有人可能已經或可能承擔的所有損失或責任，即使後來發現本特別決議的通過存在任何缺陷，或因任何理由本特別決議對目前或其後的債券持有人或其繼承人或受讓人不具有約束力。
6. 確認本特別決議案所使用之：

「不付款事件」指發行人不支付任何根據該等條件第8(E)條到期應付的金額。

「建議」指建議修訂及建議豁免；

「建議修訂」指建議修訂文件所述的修訂；

「建議修訂文件」指：

- (i) 本特別決議案附件A所載補充信託契據表；及
- (ii) 本特別決議案附件B所載補充代理協議表，



在各情況下，倘特別決議案獲不少於債券未償還本金總額90%的持有人批准，則予以簽立，以使建議修訂生效；

「**建議豁免**」指本特別決議案第2段所載的豁免；

除另有界定外，本特別決議案所用詞彙具有信託契據賦予的涵義。」

## 備查文件

債券持有人可透過瀏覽同意書網站(<https://projects.morrowsodali.com/ChinaYuHua>)以電子方式查閱下列文件副本，惟須經資格確認及登記。製表及資料代理已設立同意書網站，以便債券持有人可查閱以下文件以及任何進一步公告及更新(如有)：

- 該通告；
- 構成債券的日期為2019年12月27日的信託契據；
- 就債券訂立的日期為2019年12月27日之代理協議；
- 補充信託契據表；及
- 補充代理協議表。

## 指示性時間安排

以下所載為其中若干關鍵日期與電子同意書及特別決議案有關的指示性時間安排：

- 2023年1月11日(「**記錄日期**」)：僅截至記錄日期的在冊債券持有人合資格同意建議豁免及建議修訂；
- 2023年1月12日：透過清算系統(定義見下文)將該通告遞交予債券持有人；
- 2023年1月18日下午四時正(倫敦時間)：電子同意書時間(即透過清算系統提交贊成特別決議案的有效電子投票指示的截至日期)；

- 建議豁免將於緊隨特別決議案獲不少於債券未償還本金總額90%的持有人或其代表以電子同意書方式批准的日期生效，惟在特別決議案第(2)段規定所述的情況下，建議豁免將不再適用；及
- 建議修訂將於緊隨簽立建議修訂文件後生效。

## 一般資料

受託人及主代理尚未制定或磋商建議及特別決議案的條款，且該通告中的任何內容均不應視為受託人及主代理向債券持有人提供的推薦建議，以同意特別決議案。該通告中的任何內容均不應視為發行人、受託人及主代理向債券持有人提供的推薦建議，以批准或否決特別決議案。債券持有人應就投票贊成或反對相關特別決議案的好處及後果(包括任何稅項後果)自行尋求獨立法律及財務意見。

受託人及主代理不對建議、特別決議案或該通告所作聲明及所述文件的準確性、完整性、有效性或正確性或其中的任何遺漏負責。

## 同意書費用

毋須就電子同意書支付同意費用。

## 電子同意書及投票程序

特別決議案由發行人提呈並獲債券持有人根據信託契據附表3第22條(書面決議案及電子同意書)以電子同意書方式通過。並無或尚未就特別決議案提呈或召開債券持有人會議。

僅於記錄日期的在冊持有人合資格同意建議豁免及建議修訂。債券的任何實益擁有人如欲就特別決議案授出同意，且其債券於記錄日期以經紀、交易商、商業銀行、託管商、信託公司或其他代名人的名義持有，必須立即聯絡該代名人，並指示該代名人代該實益擁有人發出電子投票指示。



特別決議案將於不少於債券未償還本金總額90%的持有人或其代表以電子同意書方式批准時獲通過及生效。就債券所投的每一票而言，已發出總額證書的債券本金額中每2,000,000港元享有一票。

該通告訂明了促使債券持有人就建議特別決議案發出電子投票指示的詳情、發出電子投票指示的方法及必須接收電子投票指示以使電子投票指示有效發出的時間及日期，每種情況均須遵守相關清算系統的運作規則及程序。

倘債券持有人有意將債券持有人持有的債券應佔票數同意贊成特別決議案，則債券持有人或代其行事的正式授權人士

- (a) 必須在電子同意書時間(或任何進一步電子同意書時間(定義見下文)(倘適用))之前及在相關清算系統規定的時限內，根據Euroclear及／或Clearstream(統稱「**清算系統**」)的標準程序就該等該債券持有人持有的債券應佔票數發出電子投票指示(「**電子投票指示**」)，表明該等票數是「贊成」特別決議案，並通過提交有關電子投票指示訂明直接參與者在相關清算系統中的名稱及賬戶號碼。

各債券持有人務請注意，有關清算系統就提交電子投票指示設定的截止日期可能早於該通告所載的電子同意書時間，且有意同意的各債券持有人應核查相關清算系統的程序及電子同意書時間之前的截止日期。

債券的任何實益擁有人(並非清算系統的直接參與者)必須聯絡其經紀商、交易商、銀行、託管人、信託公司或其他代名人，以於相關清算系統就賬戶持有人作出安排，其透過相關清算系統持有債券，以根據相關清算系統的要求遞交電子投票指示，在有關清算系統施加的截止日期凍結債券。

透過提供上述電子投票指示，直接參與者授權存置其賬戶的清算系統向發行人、受託人、製表及資料代理人及彼等各自的法律顧問披露彼等身份及該等債券的未償還本金額之確認函。

於電子同意書時間及任何進一步電子同意書時間(倘適用，定義見下文)後，製表及資料代理人將確定：

- (a) 於電子同意書時間(或任何進一步電子同意書時間(倘適用))前根據電子投票指示自清算系統收到的有關特別決議案的投票總數(且並無被撤回)；
- (b) 自清算系統收到的投票「贊成」特別決議案的總票數；及
- (c) 是否於電子同意書時間(或任何進一步電子同意書時間(倘適用))就特別決議案取得必要的同意(即不少於債券未償還本金總額的90%)(「**必要同意**」)，

並向各發行人及受託人通知該等確定。

倘發行人於電子同意書時間後收到製表及資料代理人釐定於電子同意書時間未就特別決議案取得必要同意的通知，則發行人(即特別決議案的提案人)可不遲於電子同意書時間後第五個營業日向債券持有人發出進一步通知，說明：

- (a) 將於有關日期及與受託人協定的有關期間再次提呈特別決議案(「**進一步電子同意書時間**」)；
- (b) 並無收到足夠的票數以通過特別決議案；及
- (c) 與該通告訂明者大致相同的資料(經適當調整)。

倘未發出有關進一步通知，特別決議案應被視為失敗，且應將有關結果以書面方式知會債券持有人及受託人。

於進一步電子同意書時間，債券持有人發出的電子投票指示(除非根據相關清算系統的程序被撤回)將對進一步計票仍然有效。

特別決議案如獲通過，將對各債券持有人具約束力，不論該等債券持有人所持債券應佔票數是否投出。

在下列情況下，吾等將根據條件11(通知)於切實可行情況下盡快向債券持有人發出額外通知：

- (a) 於電子同意書時間及任何進一步電子同意書時間(倘適用)後，通知債券持有人於電子同意書時間(或任何進一步電子同意書時間(倘適用))就特別決議案取得必要同意；及
- (b) (倘電子同意書時間或任何進一步電子同意書時間(倘適用)達到必要同意)，則訂立建議修訂文件。

## 規管法律

該通告及其產生或與其有關的任何非合約責任受英國法律規管並應根據英國法律進行解釋。

## 其他資料

有關其他資料，債券持有人應聯絡製表及資料代理人，其聯絡詳情載於該通告最後一頁。

該通告由發行人發出。

2023年1月12日

## 製表及資料代理人

Morrow Sodali Limited

同意網站：<https://projects.morrowsodali.com/ChinaYuHua>

電郵：[chinayuhua@investor.morrowsodali.com](mailto:chinayuhua@investor.morrowsodali.com)

在香港

香港

上環

禧利街33-35號

The Hive

電話：+852 2319 4130

在倫敦

103 Wigmore Street

W1U 1QS

London

United Kingdom

電話：+44 20 4513 6933

## 受託人及主代理

紐約梅隆銀行倫敦分行

160 Queen Victoria Street

EC4V 4LA

United Kingdom

傳真號碼：+44 207 964 2509

收件人：受託人管理經理

並抄送至：

紐約梅隆銀行香港分行

香港

皇后大道東1號

太古廣場三座24樓

傳真號碼：+852 2295 3283

收件人：Global Corporate Trust

## 登記及轉讓代理人

The Bank of New York Mellon SA/NV, Luxembourg Branch

Vertigo Building–Polaris

2-4, rue Eugène Ruppert

L-2453 Luxembourg

承董事會命  
中国宇华教育集团有限公司  
主席兼執行董事  
李光宇

香港，2023年1月12日

於本公告日期，本公司董事會包括執行董事李光宇先生、李花女士及邱紅軍女士；及獨立非執行董事陳磊先生、夏佐全先生及張志學先生。

由於延遲刊發本集團截至2022年8月31日止年度的年度業績，本公司股份(股份代號：6169)及本公司債務證券(債務證券股份代號：40109)自2022年12月1日上午九時正起於聯交所暫停買賣，並將繼續暫停買賣直至刊發2022年年度業績。本公司股東及潛在投資者於買賣本公司證券時務請審慎行事。

本公告屬重要事項，需要債券持有人即時垂注。倘債券持有人對彼等應採取之行動有任何疑問，彼等應即時向彼等之股票經紀、律師、會計師或其他獨立財務或法律顧問尋求彼等本身之財務及法律意見，包括任何稅務後果。

本公告由本公司提供。受託人對本公告或其所載資料的準確性或完整性概不承擔任何責任。

本公司股東、可換股債券持有人及本公司潛在投資者於買賣本公司證券時務請審慎行事。



附件A  
補充信託契據表

**This Supplemental Trust Deed** is made on [●] 2023 **between:**

- (1) **CHINA YUHUA EDUCATION CORPORATION LIMITED**, incorporated in the Cayman Islands with limited liability (the “**Issuer**”); and
- (2) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a banking corporation organised and existing under the laws of the State of New York with limited liability and operating through its branch in London at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom, as the trustee (the “**Trustee**”, which expression, where the context so admits, includes any other trustee for the time being of this Trust Deed).

**Whereas:**

- (A) The Issuer issued HK\$2,088,000,000 aggregate principal amount of 0.90 per cent. convertible bonds due 2024 (the “**Bonds**”) on 27 December 2019 (the “**Issue Date**”) which were constituted by the trust deed dated 27 December 2019 between the Issuer and the Trustee in relation to the Bonds (the “**Original Trust Deed**”).
- (B) By an extraordinary resolution dated [●] 2023 (the “**Extraordinary Resolution**”), the holders of the Bonds assented and consented to certain amendments and waivers relating to the Bonds and authorised, directed, requested and empowered the Trustee to assent and consent to such amendments and waivers and to enter into, *inter alia*, this supplemental trust deed (this “**Supplemental Trust Deed**”).
- (C) The parties hereto wish to amend the Original Trust Deed as provided herein, and this Supplemental Trust Deed will amend and supplement the Original Trust Deed with effect from the date hereof.
- (D) The parties hereto intend this document to take effect as a deed.

**This Supplemental Trust Deed witnesses and it is declared** as follows:

## **1 Interpretation**

### **1.1 Definitions**

Unless otherwise defined in this Supplemental Trust Deed (including the recitals hereto), terms defined or construed in the Original Trust Deed shall have the same meanings or construction in this Supplemental Trust Deed.

In addition, all references in the Original Trust Deed to “this Trust Deed” and the “Trust Deed” shall be deemed to refer to the Original Trust Deed as supplemented by this Supplemental Trust Deed and all references in the “Agency Agreement” in the Original Trust Deed shall be deemed to refer to the paying, conversion and transfer agency agreement dated 27 December 2019 in respect of the Bonds, as amended and supplemented by the supplemental agency agreement dated [●] 2023 and as further amended and/or supplemented from time to time.

### **1.2 Construction**

Clauses 1.2 (*Construction of Certain References*), 1.3 (*Headings*), 1.4 (*Schedules*), 1.5 (*Clauses*) and Clause 1.8 (*Amended Documents*) of the Original Trust Deed shall have effect, *mutatis mutandis*, as if set out in full in this Supplemental Trust Deed.

### 1.3 Effect of this Supplemental Trust Deed

This Supplemental Trust Deed is supplemental to the Original Trust Deed and this Supplemental Trust Deed and the Original Trust Deed (as amended pursuant to this Supplemental Trust Deed) shall be read and construed together as one deed, provided always that in the event of any inconsistency between the Original Trust Deed and this Supplemental Trust Deed, the provisions of this Supplemental Trust Deed shall override such inconsistent provisions of the Original Trust Deed. Each of the amendments contemplated by this Supplemental Trust Deed shall take effect from the date of this Supplemental Trust Deed. Save for the amendments to the Original Trust Deed confirmed by this Supplemental Trust Deed, all terms and conditions of the Original Trust Deed shall remain in full force and effect.

## 2 Amendments

On and from the date of this Supplemental Trust Deed, the Original Trust Deed (which include the Conditions of the Bonds) shall be amended as follows:

### 2.1 the definition of “outstanding” in clause 1.1 of the Original Trust Deed shall be amended with the following words in underlined added:

“**outstanding**” means, in relation to the Bonds, all the Bonds issued except (a) those which have been redeemed in accordance with the Conditions, (b) those in respect of which the date for redemption has occurred and the redemption moneys (including the premium, if any), all interest accrued on such Bonds to the date for such redemption and any interest payable under the Conditions after such date) (if any) have been duly paid to the Trustee or to the Principal Agent as provided in Clause 2 and remain available for payment in accordance with the Conditions, (c) those which have become void or in respect of which claims have become prescribed, (d) those which have been purchased and cancelled as provided in the Conditions, (e) those in respect of which the Conversion Right has been duly exercised and discharged (and, for the avoidance of doubt, a Bond in respect of which a Conversion Date has occurred shall be deemed to remain outstanding until the Conversion Right has been satisfied and discharged even if the holder is removed from the register of Bondholders during the conversion process) and those in respect of which Mandatory Conversion in accordance with the Conditions has occurred and the relevant Shares and/or any cash amounts have been duly delivered or paid to the Bondholders, and (f) the Bonds represented by any Global Certificate to the extent that it shall have been exchanged for another Global Certificate in respect of the Bonds or for the Certificates in definitive form pursuant to its provisions; and provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Bondholders, (2) the determination of how many Bonds are outstanding for the purposes of Clause 15, Conditions 10, 14 and 15 and Schedule 3, and (3) the exercise of any discretion, power or authority whether contained in this Trust Deed or any other document or provided by law, which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Bondholders, those Bonds which are beneficially held by or on behalf of the Issuer or any of its Subsidiaries and not cancelled shall (unless no longer so held) be deemed not to remain outstanding;”

### 2.2 Clause 5.1 of the Original Trust Deed shall be amended with the following words in underlined added:

“**Availability of Shares:** reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be

issued on conversion of all the Bonds (including upon a Mandatory Conversion) from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of Bonds (including upon a Mandatory Conversion) will be duly and validly issued as fully-paid and not subject to call for further funds;”

- 2.3** Clause 5.9.1 of the Original Trust Deed shall be amended with the following words in underlined added:

**“Listing of Shares:** use all reasonable endeavours to (a) maintain a listing for all the issued Shares on the HKSE, and (b) obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights or upon a Mandatory Conversion on the HKSE, and if the Issuer is unable to obtain or maintain such listing, having used such endeavours, the Issuer will use all reasonable endeavours to obtain and maintain a listing for the Shares on an Alternative Stock Exchange as the Issuer may from time to time determine (with prior written notification to the Trustee) and will forthwith give notice to the Bondholders in accordance with Condition 11 of the listing or delisting of the Shares (as a class) by any such stock exchange;”

- 2.4** Clause 6.3 of the Original Trust Deed shall be amended with the following words in underlined added:

**“Notice of Adjustment:** If, while any Conversion Right or Mandatory Conversion is or is capable of being or becoming exercisable, there shall be any adjustment to the Conversion Price or an announcement of the terms of any issue, sale or distribution pursuant to Condition 6(C)(4), Condition 6(C)(5), Condition 6(C)(6) and Condition 6(C)(7)) and the announcement of any proposed modification pursuant to Condition 6(C)(8), the Issuer shall (i) as soon as practicable notify (such notice to be signed by an Authorised Signatory) the Bondholders, the Trustee and the Principal Agent in writing of particulars of the event giving rise to the adjustment, the Conversion Price before and after the adjustment, the date on which the adjustment is likely to become effective, the effect of exercise of their Conversion Rights by Bondholders or the effect of any Mandatory Conversion before then and such other relevant information as the Trustee may require, and (ii) promptly after the adjustment takes effect, give notice to the Bondholders stating that the Conversion Price has been adjusted and setting out the event giving rise to the adjustment, the Conversion Price in effect before the adjustment, the adjusted Conversion Price and the effective date of the adjustment. However, a notice pursuant to another sub-Clause of this Clause 6 correctly stating any information required to be given pursuant to this Clause 6.3 shall, as to such information, satisfy the requirements of this Clause 6.3.”

- 2.5** A new Clause 11.56 shall be inserted after Clause 11.55 of the Original Trust Deed, as follows:

**“11.56 Applicable Relevant Event:** None of the Trustee nor the Agents shall be responsible or liable to determine whether the Applicable Relevant Event exists and/or continues to exist and/or ceases to exist. The Issuer shall be responsible for the calculation of the amount of Extension Fee(s) and the Trustee and the Agents shall not be responsible or liable to verify any such calculation or determination and will not be responsible to Bondholders or any other person for any loss arising from any failure to do so. The Issuer shall promptly notify the Trustee and the Agents when the Applicable Relevant Event ceases to exist and the Trustee and the Agents are entitled to assume that the Applicable Relevant Event is continuing until such notification is given in accordance with this Trust Deed.”

- 2.6** Clause 11.19 of the Original Trust Deed shall be deleted in its entirety and replaced by:

**“The Shares:** None of the Trustee nor the Agents shall have any duty or responsibility at any time in respect of the determination of whether the Mandatory Conversion Condition has been satisfied. None of the Trustee nor the Agents shall have any duty or responsibility for any aspect with respect to the delivery of Shares including the appointment of the Share Transfer Agent or Relevant Person, the validity of or the determination of the value (or the kind or amount) of the Shares (including determination of the VWAP) or the value of any Shares which may at any time be issued or delivered on the conversion of any Bonds. None of the Trustee nor the Agents shall be responsible for any failure of the Issuer, the Relevant Person or the Share Transfer Agent to make available or deliver any Shares, share certificates or any other securities or property or make any payment or distribution on the exercise of any Conversion Right or upon a Mandatory Conversion.”

**2.7** the Form of Global Certificate contained in Schedule 1 Part A to the Original Trust Deed shall be deleted in its entirety and replaced by Schedule 1 hereto, and references to “Global Certificate” representing the Bonds in the Original Trust Deed shall refer to the Global Certificate substantially in the form set out in Schedule 1 to this Supplemental Trust Deed; and

**2.8** the Terms and Conditions of the Bonds contained in Schedule 2 to the Original Trust Deed shall be deleted in its entirety and replaced by Schedule 2 to this Supplemental Trust Deed.

**2.9** Paragraph 3.9(ii) of Schedule 3 to the Original Trust Deed shall be amended with the following words in underlined added and the following word in strikethrough deleted:

“modifying the circumstances in which the Issuer or Bondholders are entitled to redeem the Bonds pursuant to Condition 8(B), Condition 8(C), Condition 8(D), ~~or~~ Condition 8(E) or Condition 8(F); or”

**2.10** Paragraph 3.9(v) of Schedule 3 to the Original Trust Deed shall be amended with the following words in underlined added:

“modifying (except by a unilateral and unconditional reduction in the Conversion Price) or cancel (i) the Conversion Rights or (ii) the provisions relating to the Mandatory Conversion; or”

### **3 Global Certificate**

The Global Certificate issued on 27 December 2019 shall be cancelled and replaced by the Global Certificate in respect of the outstanding Bonds substantially in the form set out in Schedule 1 to this Supplemental Trust Deed duly executed and delivered by the Issuer in accordance with the Agency Agreement.

### **4 Further Assurance**

The Issuer shall, at its own cost, take such action and execute such documentation as the Trustee shall request in order to effect the amendments under the Original Trust Deed and the Bonds in the manner contemplated by this Supplemental Trust Deed.

### **5 Stamp Duties and Taxes**

The Issuer will pay any stamp, issue, registration, documentary, transfer or other taxes, duties, assessments and/or government charges, including interest and penalties, payable in the PRC, Hong Kong, the Cayman Islands, Luxembourg, Belgium, the United Kingdom

and any other jurisdiction in respect of the execution or delivery of this Supplemental Trust Deed. The Trustee shall not be liable to pay any such taxes, duties, assessments and/or government charges in any jurisdiction and shall not be concerned with, or obliged or required to enquire into, the sufficiency of any amount paid by the Issuer or any Bondholder for this purpose and shall not be liable for any losses as a result of any non-payment by the Issuer or any Bondholder. The Issuer will also indemnify the Trustee and the Bondholders, on an after tax basis, from and against all stamp, issue, registration, documentary, transfer or other taxes, duties, assessments and/or government charges paid by any of them in any jurisdiction in connection with any action taken by or on behalf of the Trustee or, as the case may be, the Bondholders to enforce the Issuer's obligations under this Supplemental Trust Deed. The parties hereto acknowledge that the foregoing indemnities shall survive the resignation or removal of the Trustee and/or the Bonds no longer being outstanding and/or the termination of this Supplemental Trust Deed.

## **6 Counterparts**

This Supplemental Trust Deed may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a same copy of this Supplemental Trust Deed.

## **7 Contracts (Rights of Third Parties) Act 1999**

A person who is not a party to this Supplemental Trust Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supplemental Trust Deed except and to the extent (if any) that this Supplemental Trust Deed expressly provides for such Act to apply to any of its terms. The parties to this Supplemental Trust Deed shall have the right to amend, vary or rescind any provision of this Supplemental Trust Deed without the consent of any such third party.

## **8 Governing Law and Jurisdiction**

- 8.1** This Supplemental Trust Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- 8.2** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Supplemental Trust Deed and accordingly any legal action or proceedings arising out of or in connection with this Supplemental Trust Deed ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- 8.3** The Issuer irrevocably agrees to receive service of process in any Proceedings in Hong Kong at the Issuer's business address in Hong Kong, currently at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. Such service shall be deemed completed on delivery to such address (whether or not it is forwarded to and received by the Issuer). If for any reason the Issuer no longer has an address in Hong Kong, the Issuer irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing shall affect the right to serve process in any other manner permitted by law.



- 8.4** The Issuer hereby waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and irrevocably consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

## SCHEDULE 1

### Form of Global Certificate

ISIN: XS2089158609  
Common Code: 208915860

**CHINA YUHUA EDUCATION CORPORATION LIMITED**  
**(incorporated in the Cayman Islands with limited liability)**  
**HK\$1,474,000,000 0.90 per cent. Convertible Bonds due 2024**

#### GLOBAL CERTIFICATE NO. 2

This Global Certificate is issued in respect of the principal amount specified above of the Bonds (the “**Bonds**”) of China YuHua Education Corporation Limited (the “**Issuer**”). This Global Certificate certifies that The Bank of New York Depository (Nominees) Limited (the “**Registered Holder**”) as nominee of the Common Depository for Euroclear and Clearstream is registered as the holder of such principal amount of the Bonds at the date hereof.

The Bonds are constituted by, are subject to, and have the benefit of, the Trust Deed and the Conditions.

The Bonds in respect of which this Certificate is issued are convertible into fully-paid ordinary Shares of HK\$0.00001 each of the Issuer subject to and in accordance with the Conditions and the Trust Deed.

#### **Interpretation and Definitions**

References in this Global Certificate to the “**Conditions**” are to the Terms and Conditions applicable to the Bonds (which are in the form set out in Schedule 2 to the trust deed (as amended and supplemented on [●] 2023 and as further amended and/or supplemented from time to time, the “**Trust Deed**”) dated 27 December 2019 between the Issuer and The Bank of New York Mellon, London Branch as trustee, as such form is supplemented and/or modified and/or superseded by the provisions of this Global Certificate, which in the event of any conflict shall prevail). Other capitalised terms used in this Global Certificate shall have the meanings given to them in the Conditions or the Trust Deed.

#### **Promise to Pay**

The Issuer, for value received, promises to pay to the holder of the Bonds represented by this Global Certificate (subject to surrender of this Global Certificate if no further payment falls to be made in respect of such Bonds) on 27 December 2024 (the “**Maturity Date**”) (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Bonds represented by this Global Certificate and to pay interest in respect of such Bonds from 27 December 2019 (the “**Issue Date**”) in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions save that the calculation is made in respect of the total aggregate amount of the Bonds represented by this Global Certificate together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

So long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where “**Clearing System Business Day**” means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

For the purposes of this Global Certificate, (a) the holder of the Bonds represented by this Global Certificate is bound by all the provisions of the Trust Deed and those provisions applicable to it of the Agency Agreement, (b) the Issuer certifies that the Registered Holder is, at the date hereof, entered in the Register as the holder of the Bonds represented by this Global Certificate, (c) this Global Certificate is evidence of entitlement only, (d) title to the Bonds represented by this Global Certificate passes only on due registration on the Register, and (e) only the holder of the Bonds represented by this Global Certificate is entitled to payments in respect of the Bonds represented by this Global Certificate.

### **Exchange of Bonds Represented by Global Certificates**

Owners of interests in the Bonds in respect of which this Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system selected by the Issuer and approved in writing by the Trustee, the Principal Agent and the Registrar through which the Bonds are held (an “**Alternative Clearing System**”) is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will at its own expense cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant holders of the Bonds. A person with an interest in the Bonds in respect of which this Global Certificate is issued must provide the Registrar not less than 30 days’ notice at its specified office of such holder’s intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

### **Notices**

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to holders of the Bonds shall be given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Terms and Conditions of the Bonds.

### **Meetings**

For the purposes of any meeting of Bondholders, the holder of the Bonds represented by this Global Certificate shall be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each HK\$2,000,000 in principal amount of Bonds for which this Global Certificate is issued.

### **Redemption at the Option of the Bondholders**

The Bondholder’s redemption option in Conditions 8(D) and 8(E) may be exercised by the holder of this Global Certificate giving notice to any Paying Agent of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in that Condition.

**Redemption at the Option of the Issuer**

The option of the Issuer provided for in Conditions 8(B) and 8(C) shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the relevant Condition.

**Bondholders' Tax Option**

The option of the Bondholders not to have the Bonds redeemed as provided in Condition 8(B) shall be exercised by the presentation to any Paying Agent of a duly completed Bondholder's election notice within the time limits set out in and containing the information required by Condition 8(B).

**Mandatory Redemption**

The Issuer shall redeem the Bonds as required by, and in accordance with, Condition 8(F) on the Mandatory Redemption Date.

**Transfers**

Transfers of beneficial interests in the Bonds represented by this Global Certificate will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

**Cancellation**

Cancellation of any Bond by the Issuer following its redemption, conversion or purchase by the Issuer and its Subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders and this Global Certificate on its presentation to or to the order of the Registrar for annotation (for information only) in Schedule A.

**Conversion**

Subject to the requirements of Euroclear and Clearstream (or any Alternative Clearing System), the Conversion Right attaching to a Bond in respect of which this Global Certificate is issued may be exercised at any time during the Conversion Period by the presentation to or to the order of the Principal Agent of one or more Conversion Notices duly completed by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of this Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The exercise of the Conversion Right shall be notified by the Principal Agent to the Registrar and the holder of this Global Certificate.

**Mandatory Conversion**

Subject to the requirements of Euroclear and Clearstream (or any Alternative Clearing System), where a Mandatory Conversion occurs in respect of Bonds represented by this Global Certificate, one or more Conversion Notices duly completed may be presented to or to the order of the Principal Agent by or on behalf of a holder of a book-entry interest in such Bonds. Deposit of this Global Certificate with the Principal Agent together with the relevant Conversion Notice(s) shall not be required. The Mandatory Conversion shall be notified by the Principal Agent to the Registrar and the holder of this Global Certificate.

**Trustee's Powers**

In considering the interests of Bondholders while this Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obliged to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in

respect of the Bonds and (b) consider such interests on the basis that such accountholders were the holders of the Bonds in respect of which this Global Certificate is issued.

This Global Certificate shall not become valid for any purpose until authenticated by or on behalf of the Registrar.

A person who is not a party to this Global Certificate has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Global Certificate except and to the extent (if any) that this Global Certificate expressly provides for such Act to apply to any of its terms.

This Global Certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

**In witness** whereof the Issuer has caused this Global Certificate to be signed on its behalf.

Dated as of \_\_\_\_\_.

**CHINA YUHUA EDUCATION CORPORATION LIMITED**

By:

**Certificate of Authentication**

This Global Certificate is authenticated  
by or on behalf of the Registrar  
without recourse, warranty or liability.

**THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH**

as Registrar

By:

Authorised Signatory

For the purposes of authentication only.



### Form of Transfer

**For value received** the undersigned transfers to

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(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS OF TRANSFEREE)

HK\$[●] principal amount of the Bonds represented by this Global Certificate, and all rights under them.

Dated .....

Signed ..... Certifying Signature

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#### Notes:

- 1 The signature of the person effecting a transfer shall conform to a list of duly authorised specimen signatures supplied by the holder of the Bonds represented by this Global Certificate or (if such signature corresponds with the name as it appears on the face of this Global Certificate) be certified by a notary public or a recognised bank or be supported by such other evidence as a Transfer Agent or the Registrar may require.
- 2 A representative of the Bondholder should state the capacity in which he signs e.g. executor.

#### PRINCIPAL AGENT

##### THE BANK OF NEW YORK MELLON, LONDON BRANCH

One Canada Square  
London E14 5AL  
United Kingdom

#### REGISTRAR AND TRANSFER AGENT

##### THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH

Vertigo Building – Polaris  
2-4, rue Eugène Ruppert  
L-2453 Luxembourg

## Schedule A

### Schedule of Increases/Reductions in Principal Amount of Bonds in respect of which this Global Certificate is Issued

The following increases/reductions in the principal amount of Bonds in respect of which this Global Certificate is issued have been made as a result of: (i) exercise of the Conversion Rights attaching to Bonds or any Mandatory Conversion, (ii) redemption of Bonds, (iii) purchase and cancellation of Bonds, (iv) partial exchange for Definitive Certificates, or (v) further issues:

| <b>Date of Conversion / Redemption / Purchase and Cancellation of Bonds / Issue of definitive Certificate (stating which)</b> | <b>Amount of increase/decrease in principal amount of this Global Certificate</b> | <b>Principal amount of this Global Certificate following such increase/decrease</b> | <b>Notation made by or on behalf of the Registrar</b> |
|---|---|---|---|
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## **Schedule B**

### **Exercise of Bondholders' Option**

The following exercises of the option of the Bondholders provided for in Condition 8(D) and Condition 8(E) have been made in respect of the stated principal amount of this Global Certificate:

| <b>Date of Exercise</b> | <b>Principal amount of this<br/>Global Certificate in<br/>respect of which exercise<br/>is made</b> | <b>Date on which<br/>redemption of such<br/>principal amount is<br/>due</b> | <b>Notation made by or<br/>on behalf of the<br/>Principal Agent</b> |
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**SCHEDULE 2**  
**Terms and Conditions of the Bonds**

## TERMS AND CONDITIONS OF THE BONDS

*The following, subject to completion and amendment, and save for the paragraphs in italics, is the text of the Terms and Conditions of the Bonds.*

The issue of the HK\$2,088,000,000 aggregate principal amount of 0.90 per cent. Convertible Bonds due 2024 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 17 and consolidated and forming a single series therewith) of China YuHua Education Corporation Limited (the “**Issuer**”) and the right of conversion into Shares (as defined in Condition 6(A)(iv)) was authorised by the board of directors of the Issuer on 3 December 2019. The Bonds are constituted by the trust deed dated 27 December 2019 (the “**Issue Date**”) (as supplemented on 19 January 2023 and as further amended and/or supplemented from time to time, the “**Trust Deed**”) between the Issuer and The Bank of New York Mellon, London Branch (the “**Trustee**”, which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Bonds. These terms and conditions (the “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Bondholders (as defined below) are entitled to the benefit of, and are bound by, and are deemed to have notice of, all of the provisions of the Trust Deed, and are deemed to have notice of those provisions applicable to them of the paying, conversion and transfer agency agreement dated 27 December 2019 (as supplemented on 19 January 2023 and as further amended and/or supplemented from time to time, the “**Agency Agreement**”) relating to the Bonds between the Issuer, the Trustee, The Bank of New York Mellon, London Branch as principal paying agent and principal conversion agent (collectively in those capacities, the “**Principal Agent**”), The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the “**Registrar**”) and as transfer agent (the “**Transfer Agent**”) and the other paying agents, conversion agents and transfer agents appointed under it (each a “**Paying Agent**”, a “**Conversion Agent**”, a “**Transfer Agent**” and together with the Registrar and the Principal Agent, the “**Agents**”) relating to the Bonds. References to the “**Paying Agents**” and the “**Conversion Agents**” each include the Principal Agent. References to the “**Principal Agent**”, the “**Registrar**”, the “**Transfer Agent**” and the “**Agents**” below are references to the principal agent, the registrar and the agents for the time being for the Bonds.

The Issuer has repurchased and cancelled an aggregate principal amount of HK\$614,000,000 of Bonds. As at 19 January 2023 (the “**Implementation Date**”), the aggregate principal amount of Bonds outstanding is HK\$1,474,000,000.

Copies of the Trust Deed and of the Agency Agreement are available for inspection at all reasonable times during normal business hours (being between 9:00 a.m. and 3:00 p.m. on a business day) at the principal office for the time being of the Trustee (being at the Issue Date at 160 Victoria Street, London EC4V 4LA, United Kingdom) and at the specified office for the time being of the Principal Agent, following prior written request and proof of holding to the satisfaction of the Trustee or, as the case may be, the Principal Agent.

Unless otherwise defined, terms used in these Conditions have the meanings specified in the Trust Deed. In these Conditions, “**Bondholder**” and (in relation to a Bond) “**holder**” mean the person in whose name a Bond is registered.

### 1 Form, Denomination and Title

#### (A) Form and Denomination

The Bonds are in registered form in the denomination of HK\$2,000,000 and integral multiples of HK\$1,000,000 in excess thereof (each, an “**Authorised Denomination**”). A bond certificate (each a “**Certificate**”) will be issued to each Bondholder in respect of its registered holding of Bonds. Each Certificate will be numbered serially with an identifying number which will be recorded on the relevant

Certificate and in the register of Bondholders (the “**Register**”) which the Issuer will procure to be kept by the Registrar.

*Upon issue, the Bonds will be represented by a global certificate (the “**Global Certificate**”) registered in the name of a nominee of, and deposited with, a common depositary for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream**”). The Conditions are modified by certain provisions contained in the Global Certificate. See “Description of the Global Certificate”.*

*Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.*

**(B) Title**

Title to the Bonds will pass only by transfer and registration in the Register as described in Condition 3. The holder of any Bond will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing (other than the endorsed form of transfer) on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder.

**2 Status**

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable legislation and subject to Condition 4, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations.

**3 Transfers of Bonds; Issue of Certificates**

**(A) Register**

The Issuer will cause the Register to be kept at the specified office of the Registrar outside Hong Kong and the United Kingdom and in accordance with the terms of the Agency Agreement on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers, redemptions and conversions of the Bonds. Each Bondholder shall be entitled to receive only one Certificate in respect of its entire holding of Bonds.

**(B) Transfer**

Subject to Condition 3(E) and the terms of the Agency Agreement, a Bond may be transferred by delivery of the Certificate issued in respect of that Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the Registrar or any of the Transfer Agents and with any other evidence as the Registrar or such Transfer Agent may require to prove the title of the transferor and the authority of the individuals who have executed such form of transfer. No transfer of a Bond will be valid unless and until entered on the Register.

*Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.*



**(C) Delivery of New Certificates**

Each new Certificate to be issued upon a transfer of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, any Transfer Agent of the original Certificate and the form of transfer duly completed and signed and provision of any other evidence required by the Registrar or the relevant Transfer Agent as contemplated in Condition 3(B), be made available for collection at the specified office of the Registrar or such Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the holder and at the Issuer's expense) to the address specified in the form of transfer.

*Except in the limited circumstances described in the Global Certificate, owners of interests in the Bonds will not be entitled to receive delivery of definitive Certificates.*

Where only some of the Bonds (being that of one or more Bonds) in respect of which a Certificate is issued is to be transferred, converted, redeemed or repurchased, a new Certificate in respect of the Bonds not so transferred, converted, redeemed or repurchased will, within seven business days of delivery of the original Certificate and provision of any other evidence required by the Registrar or the relevant Transfer Agent as contemplated in Condition 3(B) to the Registrar or, as the case may be, any Transfer Agent, be made available for collection at the specified office of the Registrar or such Transfer Agent or, if so requested in the form of transfer, be mailed by uninsured mail at the risk of the holder of the Bonds not so transferred, converted, redeemed or repurchased (but free of charge to the holder and at the Issuer's expense) to the address of such holder appearing on the Register.

For the purposes of this Condition 3, Condition 6 and Condition 10, "**business day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business in the city in which the specified office of the Registrar or the Transfer Agent, with whom a Certificate is deposited in connection with a transfer or conversion is located.

**(D) Formalities Free of Charge**

Registration of a transfer of Bonds and issuance of new Certificates will be effected without charge by or on behalf of the Issuer or any Agent subject to (a) the person making such application for transfer paying or procuring the payment (or the giving of such indemnity and/or security and/or prefunding as the Issuer or any Agent may require) of any taxes, duties and other governmental charges in connection therewith, (b) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied in its absolute discretion with the documents of title and/or identity of the person making the application and (c) the detailed regulations concerning transfer and registration of the Bonds, the initial form of which is set out in the Agency Agreement (as such regulations may be changed by the Registrar, with the prior written approval of the Trustee, and/or by the Issuer, with the prior written consent of the Trustee and the Registrar).

**(E) Restricted Transfer Periods**

No Bondholder may require the transfer of a Bond to be registered (a) during the period of seven days ending on (and including) the dates for payment of any principal pursuant to the Conditions (including any date of redemption pursuant to Conditions 8(B), 8(C) or 8(F)); (b) after a Conversion Notice (as defined in Condition 6(B)(i)) has been delivered with respect to a Bond; or (c) after a Relevant Event Put Exercise Notice (as defined in Condition 8(D)) or Optional Put Exercise Notice (as defined in Condition 8(E)) has been deposited in respect of such Bond. Each such period is a "**Restricted Transfer Period**".

## 4 Negative Pledge and Covenants

### (A) Negative Pledge

So long as any Bond remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity equally and rateably or such other security as shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

### (B) Notification to NDRC

The Issuer undertakes that it will, within the prescribed time period, file or cause to be filed with the National Development and Reform Commission of the PRC (the “NDRC”) the requisite information and documents in accordance with the Circular on Promoting the Reform of the Administrative System on the Issuance by Enterprises of Foreign Debt Filings and Registrations (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知 (發改外資〔2015〕2044號)) (the “NDRC Circular”) issued by the NDRC and effective as of 14 September 2015 and any implementing rules and/or regulations as issued by the NDRC from time to time (the “NDRC Post-issue Filing”) and (ii) comply with all applicable PRC laws, rules and regulations in connection with the Bonds (including, but not limited to, any rules issued by the NDRC from time to time).

### (C) Notification of Completion of NDRC Post-issue Filing

The Issuer shall within 15 Registration Business Days after submission of the NDRC Post-issue Filing, provide the Trustee with (i) a certificate (substantially in the form scheduled to the Trust Deed) in English signed by an Authorised Signatory of the Issuer confirming (A) the completion of the NDRC Post-issue Filing and (B) no Relevant Event, Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred; and (ii) copies of the relevant documents evidencing the NDRC Post-issue Filing (if any), each certified in English by an Authorised Signatory of the Issuer as a true and complete copy of the original (the items specified in (i) and (ii) together, the “**Registration Documents**”). In addition, the Issuer shall, within five Registration Business Days after the documents comprising the Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 11) confirming the completion of the NDRC Post-issue Filing.

The Trustee shall have no obligation to monitor or ensure that the NDRC Post-issue Filing is made as required by Condition 4(C) or to assist with the NDRC Post-issue Filing or to verify the accuracy, validity and/or genuineness of any Registration Documents or any translation or certification thereof or to give notice to the Bondholders confirming the completion of the NDRC Post-issue Filing, and shall not be liable to Bondholders or any other person for any of the foregoing and for not doing so.

### (D) Extension Fee

For so long as the Applicable Relevant Event is continuing (which for the avoidance of doubt shall mean the relevant suspension from trading of the Shares is continuing on the Hong Kong Stock Exchange) on the first Trading Day of each month commencing 1 June 2023 (inclusive), the Issuer shall pay to the Bondholders pro rata a fee of 0.25 per cent. of the principal amount of the Bonds then outstanding in respect of such month (each such fee, an “**Extension Fee**”), being HK\$2,500 per Calculation Amount (as defined in Condition 5). Each Extension Fee shall be payable on the last day

of each month (each, a “**Fee Payment Date**”), but provided that if Conversion Rights have been exercised in respect of any of the Bonds, no Extension Fee shall be payable on or after the Conversion Date in respect of such Bonds. Each Extension Fee shall constitute “interest” for the purposes of Condition 7, Condition 8, Condition 9, Condition 10 and Condition 14(A).

None of the Trustee nor the Agents shall be responsible or liable to determine whether the Applicable Relevant Event exists and/or continues to exist and/or ceases to exist. The Issuer shall be responsible for the calculation of the amount of Extension Fee(s) and the Trustee and the Agents shall not be responsible or liable to verify any such calculation or determination and will not be responsible to Bondholders or any other person for any loss arising from any failure to do so. The Issuer shall promptly notify the Trustee and the Agents when the Applicable Relevant Event ceases to exist and the Trustee and the Agents are entitled to assume that the Applicable Relevant Event is continuing until such notification given in accordance with the Trust Deed.

In these Conditions:

“**Applicable Relevant Event**” means the Relevant Event which has occurred due to the Shares being suspended from trading on the Hong Kong Stock Exchange on 1 December 2022;

“**PRC**” means the People’s Republic of China and, for the purposes of these Conditions, except where the context requires, does not include Hong Kong Special Administrative Region of the People’s Republic of China, Macau Special Administrative Region of the People’s Republic of China and Taiwan;

“**Registration Business Day**” means a day, other than a Saturday, Sunday or public holiday, on which commercial banks are generally open for business in Beijing, PRC;

“**Relevant Indebtedness**” is to any future or present indebtedness incurred outside the PRC which is in the form of or represented by debentures, loan stock, bonds, notes, bearer participation certificates, depository receipts, certificates of deposit or other similar securities which are, or are issued with the intention on the part of issuer thereof that they should be, or are capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or any other securities market (whether or not initially distributed by way of private placement), which for the avoidance of doubt does not include indebtedness under any bilateral, syndicated or club loan or loan facility; and

a “**Subsidiary**” of any person means (a) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent. of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (b) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the law, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person.

## **5 Interest**

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 0.90 per cent. per annum, payable semi-annually in arrear on 27 June and 27 December in each year (each an “**Interest Payment Date**”), commencing on 27 June 2020. If any Interest Payment Date would otherwise fall on a day which is not a Payment Business Day it shall be postponed to the next day which is a Payment Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding Payment Business Day.

Each Bond will cease to bear interest (a) (subject to Condition 6(B)(iv)) where the Conversion Right attached to it shall have been exercised by a Bondholder, from and including the Interest Payment Date immediately preceding the relevant Conversion Date (as defined in Condition 6(B)(i)), or if none, the Issue Date (subject in any case as provided in Condition 6(B)(iv)), or (b) upon a Mandatory Conversion, from and including the Conversion Date (as defined in Condition 6(B)(i)), or (c) where such Bond is redeemed or repaid pursuant to Condition 8 or Condition 10, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, it will continue to bear interest at three per cent. per annum above the rate aforesaid (both before and after judgment) until whichever is the earlier of (x) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (y) the day seven days after the Trustee or the Principal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

Interest in respect of any Bond shall be calculated per HK\$1,000,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount shall be equal to the product of the rate of interest specified above, the Calculation Amount and the actual number of days in the Interest Period (or such other period) divided by 365, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

## **6 Conversion**

### **(A) Conversion Right**

- (i) *Conversion Period*: Subject as provided in these Conditions, each Bond shall entitle the holder to convert such Bond into Shares credited as fully paid (as defined in Condition 6(A)(iv)) at any time during the Conversion Period referred to below (the “**Conversion Right**”).

Subject to and upon compliance with the Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time (a) on or after the date which is 41 days after the Issue Date (both dates inclusive) to the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date falling seven days prior to the Maturity Date (as defined in Condition 8) (both days inclusive) (but, except as provided in Condition 6(A)(iii), in no event thereafter), (b) if such Bond shall have been called for redemption by the Issuer before the Maturity Date, then up to and including the close of business (at the place aforesaid) on a date no later than seven days (in the place aforesaid) prior to the date fixed for redemption thereof or (c) if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(D) or 8(E), up to the close of business (at the place aforesaid) on the business day (in the place aforesaid) prior to the giving of such notice (the “**Conversion Period**”).

A Conversion Right may not be exercised (a) in respect of a Bond where the holder shall have exercised its right, by delivering or depositing the relevant notice, to require the Issuer to redeem or repurchase such Bond pursuant to Condition 8(D) or 8(E) or (b) except as provided in Condition 6(A)(iii) following the giving of notice by the Trustee pursuant to Condition 10.

The price at which Shares will be issued upon exercise of a Conversion Right (the “**Conversion Price**”) shall as of the Implementation Date be HK\$1.65 per Share, but will be subject to adjustment in the circumstances described in Condition 6(C).

The number of Shares to be issued on exercise of a Conversion Right or upon a Mandatory Conversion shall be determined by dividing the principal amount of the Bonds to be converted by the Conversion Price in effect on the relevant Conversion Date (as defined in Condition 6(B)(i)). A Conversion Right may only be exercised in respect of one or more Bonds. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of the aggregate principal amount of the Bonds to be converted.

- (ii) *Fractions of Shares*: Fractions of Shares will not be issued on exercise of Conversion Rights or a Mandatory Conversion and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time or upon a Mandatory Conversion in respect of more than one Bond such that Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after 3 December 2019 which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash in Hong Kong dollars a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Certificate deposited in connection with the exercise of Conversion Rights or upon a Mandatory Conversion, aggregated as provided in Condition 6(A)(i), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid, provided that such sum exceeds HK\$100. Any such sum shall be paid not later than five Stock Exchange Business Days (as defined in Condition 6(B)(i)) after the relevant Conversion Date by transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong, in accordance with instructions given by the relevant Bondholder in the Conversion Notice.
- (iii) *Revival and/or Survival after Default*: Notwithstanding the provisions of Condition 6(A)(i), if (a) the Issuer shall default in making payment in full in respect of any Bond which shall have been called or put for redemption on the date fixed for redemption thereof; (b) any Bond has become due and payable prior to the Maturity Date by reason of the occurrence of any of the events under Condition 10; or (c) any Bond is not redeemed on the Maturity Date in accordance with Condition 8(A), the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business (at the place where the Certificate evidencing such Bond is deposited for conversion) on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Principal Agent or the Trustee and notice of such receipt has been duly given to the Bondholders in accordance with Condition 11 and notwithstanding the provisions of Condition 6(A)(i), any Bond in respect of which the Certificate and the Conversion Notice (as defined in Condition 6(B)(i)) are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined in Condition 6(B)(i)) notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Principal Agent or the Trustee before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

- (iv) *Meaning of “Shares”*: As used in these Conditions, the expression “**Shares**” means ordinary shares of par value HK\$0.00001 each of the Issuer or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer.

**(B) Conversion Procedure**

- (i) *Conversion Notice*: Conversion Rights may be exercised by a Bondholder during the Conversion Period by delivering the relevant Certificate to the specified office of any Conversion Agent during normal business hours (being between 9:00 a.m. and 3:00 p.m. on a business day) at the place where the Certificate evidencing such Bond is deposited for conversion accompanied by a duly completed and signed notice of conversion (a “**Conversion Notice**”) in the form (for the time being current) obtainable from any Conversion Agent, together with (a) the relevant Certificate; and (b) any amounts required to be paid by the Bondholder under Condition 6(B)(ii).

If such delivery is made after 3:00 p.m. on any business day or on a day which is not a business day in the place of the specified office of the relevant Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

Any determination as to whether any Conversion Notice has been duly completed and properly delivered shall be made by the relevant Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Conversion Agents and the relevant Bondholder.

Conversion Rights may only be exercised in respect of an Authorised Denomination. A Conversion Notice, once delivered, shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal.

The “**Conversion Date**” in respect of a Bond (a) in the case of an exercise of Conversion Right by the Bondholders, must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of Condition 6(A)(iv)) and will be deemed to be the Stock Exchange Business Day (as defined in this Condition 6(B)(i)) immediately following the later of the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice (if they are not surrendered and delivered on the same day) and, if applicable, the date of making any payment or giving any indemnity under these Conditions in connection with the exercise of such Conversion Right; and (b) in the case of a Mandatory Conversion pursuant to Condition 6(F), means the Stock Exchange Business Day immediately after the expiry of the Notice Period defined in Condition 6(F). “**Stock Exchange Business Day**” means any day (other than a Saturday or Sunday) on which the Relevant Stock Exchange (as defined in Condition 6(G)) is open for trading of securities.

- (ii) *Stamp Duty etc.*: A Bondholder exercising Conversion Rights (except in relation to a Mandatory Conversion) must pay directly to the relevant authorities any taxes and/or capital, stamp, issue and registration and transfer taxes and duties (“**Duties**”) arising on such exercise (other than any Duties payable in the Cayman Islands and, if relevant, in the place of the Alternative Stock Exchange, by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Relevant Stock Exchange on conversion, being the “**Issuer Duties**”) (the “**Taxes**”). The Issuer will pay all other expenses arising on the issue of Shares on conversion of Bonds and all charges of the Agents and any appointed share transfer agent for the Shares (the “**Share**

**Transfer Agent**”). The Bondholder (and, if different, the person to whom the Shares are to be issued) must declare in the relevant Conversion Notice that any amounts payable to the relevant tax authorities in settlement of Taxes payable pursuant to this Condition 6(B)(ii) have been, or (where permitted by law) will be, paid.

If the Issuer shall fail to pay any Issuer Duties, the relevant holder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

Such Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it.

Neither the Trustee nor any of the Agents shall be responsible for paying any Duties, Taxes, expenses or other amounts referred to in this Condition 6(B)(ii) or for determining whether such Duties are payable or the amount thereof and shall not be responsible or liable for any failure by the Issuer or any Bondholder to pay such Duties, Taxes, expenses or other amounts.

- (iii) *Registration*: Upon exercise by a Bondholder of its Conversion Right and compliance with Conditions 6(B)(i) and 6(B)(ii) or upon a Mandatory Conversion, the Issuer will, as soon as practicable, and in any event not later than ten Stock Exchange Business Days after the Conversion Date, register the person or persons designated for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the Issuer’s share register and will, if the Bondholder has also requested in the Conversion Notice and to the extent permitted under applicable law and the rules and procedures of the Central Clearing and Settlement System of Hong Kong (“CCASS”) effective from time to time, take all necessary action to procure that Shares are delivered through CCASS for so long as the Shares are listed on the Hong Kong Stock Exchange; or will make such certificate or certificates available for collection at the office of the Issuer’s share registrar in Hong Kong (currently Computershare Hong Kong Investor Services Limited) notified to Bondholders in accordance with Condition 11 or, if so requested in the relevant Conversion Notice, will cause its share registrar to mail (at the risk, and, if sent at the request of such person otherwise than by ordinary mail, at the expense, of the person to whom such certificate or certificates are sent) such certificate or certificates to the person and at the place specified in the Conversion Notice, together (in either case) with any other securities, property or cash required to be delivered upon conversion of the Bonds and such assignments and other documents (if any) as may be required by law to effect the transfer thereof, in which case a single share certificate will be issued in respect of all Shares issued on conversion of Bonds subject to the same Conversion Notice and which are to be registered in the same name.

The delivery of the Shares to the converting Bondholder (or such person or persons designated in the relevant Conversion Notice) in the manner contemplated above in this Condition 6(B)(iii) will be deemed to satisfy the Issuer’s obligation to pay the principal and premium (if any) on such converted Bonds.

The person or persons specified for that purpose in the Conversion Notice will become the holder of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Issuer’s register of members (the “**Registration Date**”).

The Shares issued upon exercise of Conversion Rights or upon a Mandatory Conversion will be fully paid and will in all respects rank *pari passu* with the fully paid Shares in issue on the

relevant Registration Date except for any right excluded by mandatory provisions of applicable law and except that such Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record or other due date for the establishment of entitlement for which falls prior to the relevant Registration Date.

- (iv) *Retroactive Adjustments*: If the Conversion Date in relation to the conversion of any Bond shall be on or after the record date for any issue, distribution, grant, offer or other event as gives rise to the adjustment of the Conversion Price pursuant to Condition 6(C), but before the relevant adjustment becomes effective (the “**Relevant Effective Date**”) under the relevant Condition (a “**Retroactive Adjustment**”), upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws or other regulations)), such additional number of Shares (“**Additional Shares**”) as is, together with Shares to be issued on conversion of the Bond(s), equal to the number of Shares which would have been required to be issued on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective on or immediately after the relevant record date and in such event and in respect of such Additional Shares references in this Condition 6(B)(iv) to the Conversion Date shall be deemed to refer to the Relevant Effective Date (notwithstanding that the Relevant Effective Date falls after the end of the Conversion Period).
- (v) *Equivalent Amounts*: If the record date for the payment of any dividend or other distribution in respect of the Shares is on or after the Conversion Date in respect of any Bond, but before the Registration Date (disregarding any Retroactive Adjustment of the Conversion Price referred to in this Condition 6(B)(v) prior to the time such Retroactive Adjustment shall have become effective), the Issuer will calculate and pay to the converting Bondholder or his designee an amount in Hong Kong dollars (the “**Equivalent Amount**”) equal to the Fair Market Value (as defined in Condition 6(G)) of such dividend or other distribution to which he would have been entitled had he on that record date been such a shareholder of record and will make the payment at the same time as it makes payment of the dividend or other distribution, or as soon as practicable thereafter, but, in any event, not later than seven days thereafter. The Equivalent Amount shall be paid by transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong, in accordance with instructions given by the relevant Bondholder in the Conversion Notice.
- (vi) *Interest Accrual*: If any notice requiring the redemption of any Bonds is given pursuant to Conditions 8(B) or 8(C) on or after the 15<sup>th</sup> Hong Kong business day prior to a record date which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Issue Date) in respect of any dividend or distribution payable in respect of the Shares where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such record date, interest shall (subject as hereinafter provided) accrue on Bonds in respect of which Conversion Rights shall have been exercised or which are subject to the Mandatory Conversion and in respect of which the Conversion Date falls after such record date and on or prior to the Interest Payment Date next following such record date in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from, and including, the Issue Date) to, but excluding, such Conversion Date; provided that no such interest shall accrue on any Bond in the event that the Shares issued on conversion thereof shall carry an entitlement to receive such dividend or distribution or in the event the Bond carries an entitlement to receive an Equivalent Amount. Any such interest shall be paid not later than 14



days after the relevant Conversion Date by transfer to a Hong Kong dollar account maintained by the payee with, a bank in Hong Kong, in accordance with instructions given by the relevant Bondholder in the Conversion Notice.

**(C) Adjustments to Conversion Price**

The Conversion Price will be subject to adjustment as follows:

- (1) **Consolidation, Subdivision, Redesignation or Reclassification:** If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision, redesignation or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

Where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date such consolidation, subdivision, redesignation or reclassification takes effect.

- (2) **Capitalisation of Profits or Reserves:**

- (i) If and whenever the Issuer shall issue any Shares credited as fully paid to the holders of Shares (“**Shareholders**”) by way of capitalisation of profits or reserves (including Shares paid up out of distributable profits or reserves and/or share premium account (except any Scrip Dividend)) and which would not have constituted a Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A}{B}$$

Where:

A is the aggregate nominal amount of the issued Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Shares immediately after such issue.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

- (ii) In the case of an issue of Shares by way of a Scrip Dividend where the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price per Share exceeds the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Distribution, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the issue of such Shares by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate nominal amount of the issued Shares immediately before such issue;
- B is the aggregate nominal amount of Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount of the whole, or the relevant part, of the Relevant Cash Dividend for which Shareholders have elected to receive as Shares issued by way of Scrip Dividend, and (ii) the denominator is the aggregate value of such Shares issued by way of Scrip Dividend as determined by reference to the Current Market Price per Share; and
- C is the aggregate nominal amount of Shares issued by way of such Scrip Dividend.

Such adjustment shall become effective on the date of issue of such Shares or if a record date is fixed therefor, immediately after such record date.

- (3) **Distributions:** If and whenever the Issuer shall pay or make any Distribution to the Shareholders (except to the extent that the Conversion Price falls to be adjusted under Condition 6(C)(2)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such Distribution by the following fraction:

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which the Distribution is first publicly announced; and
- B is the Fair Market Value on the date of such announcement of the portion of the Distribution attributable to one Share.

Such adjustment shall become effective on the date that such Distribution is actually made or if a record date is fixed therefor, immediately after such record date. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of “Fair Market Value”) be determined as at the date on which the Distribution is first publicly announced or, if later, the first date on which the Fair Market Value of the relevant Distribution is capable of being determined as provided herein.

In making any calculation pursuant to this Condition 6(C)(3), such adjustments (if any) shall be made as an Independent Investment Bank may consider appropriate to reflect (a) any consolidation or subdivision of the Shares, (b) issues of Shares by way of capitalisation of profits or reserves, or any like or similar event, (c) the modification of any rights to dividends of Shares or (d) any change in the fiscal year of the Issuer.

- (4) **Rights Issues of Shares or Options over Shares:** If and whenever the Issuer shall issue Shares to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares, in each case at less than 95 per cent. of the Current Market Price per Share on the date of the first public announcement of the terms of the issue or grant, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before such announcement;
- B is the number of Shares which the aggregate consideration receivable for the Shares issued by way of rights or for the options or warrants or other rights issued or granted by way of rights and for the total number of Shares comprised therein would subscribe for, purchase or otherwise acquire at such Current Market Price per Share; and
- C is the aggregate number of Shares issued or, as the case may be, comprised in the issue or grant.

Such adjustment shall become effective on the date of issue of such Shares or issue or grant of such options, warrants or other rights (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be.

- (5) **Rights Issues of Other Securities:** If and whenever the Issuer shall issue any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which such issue or grant is publicly announced; and
- B is the Fair Market Value per Share on the date of such announcement of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue of the securities or the issue or grant of such rights, options or warrants (as the case may be) or where a record date is set, the first date on which the Shares are traded ex-rights, ex-options or ex-warrants, as the case may be. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "Fair Market Value") be determined as at the date on which the terms of such issue or grant are publicly announced, or if later, the first date on which the Fair Market Value of the aggregate rights attributable to the Shares in relation to such issue or grant is capable of being determined as provided herein.

- (6) **Issues at less than Current Market Price:** If and whenever the Issuer shall issue (otherwise than as mentioned in Condition 6(C)(4)) any Shares (other than Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or issue or grant (otherwise than as mentioned in Condition 6(C)(4)) options, warrants or other rights (other than the Conversion Rights under the Bonds, which excludes any further bonds issued pursuant to Condition 17) to subscribe for, purchase or otherwise acquire Shares in each case at a price per Share which is less than 95 per cent. of the Current Market Price on the date of the first public announcement of the terms of such grant or

issue, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{C}$$

Where:

- A is the aggregate number of Shares in issue immediately before the issue of such additional Shares or the grant of such options, warrants or other rights to subscribe for, purchase or otherwise acquire any Shares;
- B is the number of Shares which the aggregate consideration receivable for the issue of the maximum number of Shares to be issued or the exercise of such options, warrants or other rights would purchase at such Current Market Price per Share; and
- C is the aggregate number of Shares in issue immediately after the issue of such additional Shares.

References to additional Shares in the above formula shall, in the case of an issue by the Issuer of options, warrants or other rights to subscribe or purchase Shares, mean such Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue or grant of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such additional Shares or, as the case may be, the issue or grant of such options, warrants or other rights.

- (7) **Other Issues at less than Current Market Price:** Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within this Condition 6(C)(7), if and whenever the Issuer or any of its Subsidiaries (otherwise than as mentioned in Conditions 6(C)(4), 6(C)(5) or 6(C)(6)), or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity shall issue any securities (other than the Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares to be issued by the Issuer upon conversion, exchange or subscription at a consideration per Share which is less than 95 per cent. of the Current Market Price on the date of the first public announcement of the terms of issue of such securities, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before such issue;
- B is the number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to such securities would purchase at such Current Market Price per Share; and
- C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate on the issue date of such securities.

Such adjustment shall become effective on the date of issue of such securities.

- (8) **Modification of Rights of Conversion etc.:** If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in Condition 6(C)(7) (other than in accordance with the terms of such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than 95 per cent. of the Current Market Price on the date of announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such modification by the following fraction:

$$\frac{A + B}{A + C}$$

Where:

- A is the aggregate number of Shares in issue immediately before such modification;
- B is the maximum number of Shares which the aggregate consideration receivable by the Issuer for the Shares to be issued on conversion or exchange or on exercise of the right of subscription attached to the securities so modified would purchase at such Current Market Price per Share or, if lower, the existing conversion, exchange or subscription price of such securities; and
- C is the maximum number of Shares to be issued on conversion or exchange of such securities or on the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate but giving credit in such manner as an Independent Investment Bank considers appropriate (if at all) for any previous adjustment under this Condition 6(C)(8) or Condition 6(C)(7).

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

- (9) **Other Offers to Shareholders:** If and whenever the Issuer or any of its Subsidiaries or (at the direction or request of or pursuant to any arrangements with the Issuer or any of its Subsidiaries) any other company, person or entity issues, sells or distributes any securities in connection with an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under Conditions 6(C)(4), 6(C)(5), 6(C)(6) or 6(C)(7)), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such issue, sale or distribution by the following fraction:

$$\frac{A - B}{A}$$

Where:

- A is the Current Market Price per Share on the date on which such issue, sale or distribution is publicly announced; and
- B is the Fair Market Value of the portion of the rights attributable to one Share.

Such adjustment shall become effective on the date of issue, sale or distribution of the securities. For the purpose of the above, Fair Market Value shall (subject as provided in the definition of "Fair Market Value") be determined as at the date on which the terms of such issue, sale or

distribution of securities are first publicly announced or, if later, the first date on which the Fair Market Value of the portion of the aggregate rights attributable to the Shares is capable of being determined as provided herein.

- (10) **Other Events:** If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred to in this Condition 6, the Issuer shall, at its own expense, consult an Independent Investment Bank to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, if the adjustment would result in a reduction in the Conversion Price, and the date on which such adjustment should take effect and upon such determination by the Independent Investment Bank such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that where the events or circumstances giving rise to any adjustment pursuant to this Condition 6 have already resulted or will result in an adjustment to the Conversion Price or where the events or circumstances giving rise to any adjustment arise by virtue of events or circumstances which have already given rise or will give rise to an adjustment to the Conversion Price, such modification (if any) shall be made to the operation of the provisions of this Condition 6 as may be advised by the Independent Investment Bank to be in its opinion appropriate to give the intended result. Notwithstanding the foregoing, the per Share value of any such adjustment shall not exceed the per Share value of the dilution in the Shareholders' interest in the Issuer's equity caused by such events or circumstances.
- (11) **Adjustment upon Change of Control:** If a Change of Control shall occur, the Issuer shall give to Bondholders notice of that fact (a "**Change of Control Notice**") in accordance with Condition 11 within seven days after it becomes aware of such Change of Control (with a copy to the Trustee). Following the giving of a Change of Control Notice, upon any exercise of Conversion Rights such that the relevant Conversion Date falls within 30 days following a Change of Control, or, if later, 30 days following the date on which the Change of Control Notice is given to Bondholders (such period, the "**Change of Control Conversion Period**"), the Conversion Price shall be adjusted in accordance with the following formula:

$$NCP = \frac{OCP}{1 + (CP \times \frac{c}{t})}$$

Where:

|     |  |
|-----|--|
| NCP | is the Conversion Price after such adjustment;   |
| OCP | is the Conversion Price before such adjustment. For the avoidance of doubt, OCP shall be the Conversion Price in effect on the relevant Conversion Date; |
| CP  | is the conversion premium of 34.0 per cent. expressed as a fraction;   |
| c   | is the number of days from and including the date the Change of Control occurs to but excluding the Maturity Date; and                                   |
| t   | is the number of days from and including the Issue Date to but excluding the Maturity Date,  |

provided that the Conversion Price shall not be reduced pursuant to this Condition 6(C)(11) below the level permitted by applicable laws and regulations from time to time (if any).

If the last day of a Change of Control Conversion Period shall fall during a Restricted Transfer Period, the Change of Control Conversion Period shall be extended such that its last day will be the fifteenth day following the last day of the Restricted Transfer Period.

On the business day immediately following the last day of the Change of Control Conversion Period, the Conversion Price shall be re-adjusted to the Conversion Price in force immediately before the adjustment to the Conversion Price during the Change of Control Conversion Period.

**(D) Undertakings**

The Issuer undertakes that so long as any Bond remains outstanding, save with the approval of an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders:

- (i) it will use its best endeavours (a) to maintain a listing for all the issued Shares on the Hong Kong Stock Exchange, and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the Conversion Rights or upon a Mandatory Conversion on the Hong Kong Stock Exchange, and if the Issuer is unable to obtain or maintain such listing, to use its best endeavours to obtain and maintain a listing for all the issued Shares on an Alternative Stock Exchange as the Issuer may from time to time determine and will forthwith give notice to the Bondholders in accordance with Condition 11 of the listing or delisting of the Shares (as a class) by any such stock exchange;
- (ii) it will use its best endeavours to maintain the listing of the Bonds on the Hong Kong Stock Exchange and if the Issuer is unable to maintain such listing, to use its best endeavours to obtain and maintain a listing on another internationally recognised stock exchange as the Issuer may from time to time determine and will forthwith give notice to the Bondholders in accordance with Condition 11 of the listing or delisting of the Bonds by any such stock exchange;
- (iii) it will pay the expenses of the issue of, and all expenses of obtaining a listing for, Shares arising on conversion of the Bonds (save for the Taxes specified in Condition 6(B)(ii)); and
- (iv) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund except, in each case, where the reduction is permitted by applicable law and results in (or would, but for the provision of these Conditions relating to rounding or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law.

In the Trust Deed, the Issuer has also undertaken with the Trustee that so long as any Bond remains outstanding:

- (i) it will reserve, free from any other pre-emptive or other similar rights, out of its authorised but unissued ordinary share capital the full number of Shares liable to be issued on conversion of the Bonds from time to time remaining outstanding and shall ensure that all Shares delivered on conversion of the Bonds will be duly and validly issued as fully-paid; and
- (ii) it will not make any offer, issue, grant or distribute or take any action the effect of which would be to reduce the Conversion Price below the par value of the Shares of the Issuer, provided always that the Issuer shall not be prohibited from purchasing its Shares to the extent permitted by law.

The Issuer has also given certain other undertakings in the Trust Deed for the protection of the Conversion Rights.

**(E) Provisions Relating to Changes in Conversion Price**

- (i) *Minor adjustments*: On any adjustment, the resultant Conversion Price, if not an integral multiple of one Hong Kong cent, shall be rounded down to the nearest Hong Kong cent. No adjustment shall be made to the Conversion Price if such adjustment (rounded down if applicable) would be less than one per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made. Notice of any adjustment shall be given by the Issuer to Bondholders in accordance with Condition 11 and to the Trustee and the Conversion Agent promptly after the determination thereof.
- (ii) *Decision of an Independent Investment Bank*: If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to how an adjustment to the Conversion Price under Condition 6(C) should be made, and following consultation between the Issuer and an Independent Investment Bank, a written opinion of such Independent Investment Bank in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error. Notwithstanding the foregoing, the per Share value of any such adjustment shall not exceed the per Share value of the dilution in the Shareholders' interest in the Issuer's equity caused by such events or circumstances.
- (iii) *Minimum Conversion Price*: Notwithstanding the provisions of this Condition 6, the Issuer undertakes that: (a) the Conversion Price shall not in any event be reduced to below the nominal or par value of the Shares as a result of any adjustment hereunder unless under applicable law then in effect the Bonds may be converted at such reduced Conversion Price into legally issued, fully paid and non-assessable Shares; and (b) it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such nominal or par value or any minimum level permitted by applicable laws or regulations.
- (iv) *Reference to "fixed"*: Any references herein to the date on which a consideration is "fixed" shall, where the consideration is originally expressed by reference to a formula which cannot be expressed as an actual cash amount until a later date, be construed as a reference to the first day on which such actual cash amount can be ascertained.
- (v) *Multiple events*: Where more than one event which gives or may give rise to an adjustment to the Conversion Price occurs within such a short period of time that in the opinion of an Independent Investment Bank, the foregoing provisions would need to be operated subject to some modification in order to give the intended result, such modification shall be made to the operation of the foregoing provisions as may be advised by such Independent Investment Bank to be in its opinion appropriate in order to give such intended result.
- (vi) *Upward/downward adjustment*: No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation or re-classification of the Shares as referred to in Condition 6(C)(1). The Issuer may at any time and for a specified period of time only, following notice being given to the Trustee and the Bondholders in accordance with Condition 11, reduce the Conversion Price, subject to Condition 6(E)(iii).
- (vii) *Trustee and Agents not obliged to Monitor*: Neither the Trustee nor any Agent shall be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or to make any calculation (or



verification thereof) in connection with the Conversion Price and will not be responsible to Bondholders for any loss arising from any failure by it to do so or for any delay by the Issuer in making a determination or any erroneous determination in connection with the Conversion Price.

- (viii) *Notice of Change in Conversion Price*: The Issuer shall give notice to the Bondholders in accordance with Condition 11 and to the Hong Kong Stock Exchange (if required under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of any change in the Conversion Price. Any such notice relating to a change in the Conversion Price shall set forth the event giving rise to the adjustment, the Conversion Price prior to such adjustment, the adjusted Conversion Price and the effective date of such adjustment.
- (ix) *Share Scheme Shares/Options*: Notwithstanding any provision in this Condition 6, no adjustment will be made to the Conversion Price when Shares or other securities (including rights or options) are issued, offered, exercised, allotted or granted to, or for the benefit of, among others, employees and/or former employees (including directors and/or former directors) of the Issuer or any Subsidiary pursuant to (a) the pre-IPO share option scheme adopted by the Issuer, the terms of which were described in the Issuer's initial public offering prospectus dated 16 February 2017 (the "**Pre-IPO Share Option Scheme**"), or (b) any other employee share scheme or plan (and which employee share scheme or plan is in compliance with the listing rules of the Relevant Stock Exchange) ("**Share Scheme Shares/Options**") unless any grant or issue of Share Scheme Shares/Options (which, but for this provision, would have required adjustment pursuant to Condition 6) would result in the total number of Shares which may be issued upon exercise of such Share Scheme Shares/Options (except for the Pre-IPO Share Option Scheme) granted during any 12-month period up to and including the date of such grant representing, in aggregate, over 1.0 per cent. of the average number of issued and outstanding Shares during such 12-month period, in which case only such portion of the grant or issue of Share Scheme Shares/Options that exceeds 1.0 per cent. of the average number of issued and outstanding Shares during the relevant 12-month period shall be taken into account in determining adjustment of the Conversion Price pursuant to Condition 6.
- (x) *IFC Loan Agreement*: Notwithstanding any provision in this Condition 6, no adjustment will be made to the Conversion Price when Shares are issued pursuant to the terms of the loan agreement in effect as at 3 December 2019 entered into between the Issuer, China YuHua Education Investment Limited, China Hong Kong YuHua Education Limited and International Finance Corporation on 31 May 2018.
- (xi) *Dividends in respect of the year ended 31 August 2019*: For the avoidance of doubt, the declaration of final dividends by the Issuer in respect of the year ended 31 August 2019 of HK\$0.073 per Share, which will be subject to the approval of the shareholders of the Issuer (as disclosed in the Issuer's annual results announcement for the year ended 31 December 2019 published on 29 November 2019), will constitute Distributions and give rise to an adjustment of the Conversion Price pursuant to Condition 6(C) after approval of the distribution of such dividends by the shareholders of the Issuer.

**(F) Mandatory Conversion**

- (i) Unless a Share Delivery EoD has occurred and is continuing, at any time after 1 March 2023 and prior to the Maturity Date, upon the Issuer giving not less than 30 nor more than 60 days' notice (such period of not less than 30 nor more than 60 days' of notice shall herein be referred to as the "**Notice Period**") to the Trustee and the Principal Agent in writing and to the

Bondholders in accordance with Condition 11 (“**Mandatory Conversion Notice**”), all outstanding Bonds shall be converted into Shares credited as fully paid on the Conversion Date (as defined in Condition 6(B)(i)) in accordance with the provisions of Condition 6 (save where modified by this Condition 6(F)), provided that the VWAP of the Shares for at least 20 Trading Days (whether or not consecutive) out of 30 consecutive Trading Days (such period of 30 consecutive Trading Days, the “**Observation Period**”), the last of which occurs not more than five Trading Days prior to the date upon which the relevant Mandatory Conversion Notice is published was at least 130 per cent. of the Conversion Price then in effect immediately prior to the date upon which the Mandatory Conversion Notice is given (the “**Mandatory Conversion Condition**”). For the avoidance of doubt, if any Share Delivery EoD has occurred prior to or during the Notice Period, (i) any Mandatory Conversion Notice delivered shall be deemed to be void and of no effect and (ii) no Mandatory Conversion shall take effect under this Condition 6(F), provided that if such Share Delivery EoD is remedied, the Issuer’s right to require Mandatory Conversion under this Condition 6(F) shall revive (subject to the Issuer being required to deliver a new Mandatory Conversion Notice specifying a new Notice Period and contingent on the Mandatory Conversion Condition being met at such time with any Observation Period commencing on or after the date of such remedy of the Share Delivery EoD). “**Mandatory Conversion**” means a mandatory conversion of the Bonds pursuant to this Condition 6(F). Each Mandatory Conversion Notice shall include a certification by an Authorised Signatory of the Issuer that the Mandatory Conversion Condition has been satisfied.

None of the Trustee nor the Agents shall have any duty or responsibility at any time in respect of the determination of whether the Mandatory Conversion Condition has been satisfied. None of the Trustee nor the Agents shall have any duty or responsibility for any aspect with respect to the delivery of Shares including the appointment of the Share Transfer Agent or Relevant person, the validity of or the determination of the value (or the kind or amount) of the Shares (including determination of the VWAP) or the value of any Shares which may at any time be issued or delivered on the conversion of any Bonds. None of the Trustee nor the Agents shall be responsible for any failure of the Issuer, the Relevant Person or the Share Transfer Agent to make available or deliver any Shares, share certificates or any other securities or property or make any payment or distribution on the exercise of any Conversion Right or upon a Mandatory Conversion.

- (ii) The Issuer shall pay directly to the relevant authorities any Duties and Taxes arising on any Mandatory Conversion, and shall pay all other expenses arising on the issue of Shares on conversion of the Bonds pursuant to any Mandatory Conversion and all charges of the Agents and the Share Transfer Agent. Neither the Bondholders, the Trustee nor any of the Agents shall be responsible for paying any Duties, Taxes, expenses or other amounts referred to in this Condition 6(F)(ii).
- (iii) As a precondition to any delivery of any Shares pursuant to a Mandatory Conversion of the Bonds (but not, for the avoidance of doubt, to the payment of any accrued interest or Equivalent Amount pursuant to these Conditions), a Bondholder shall be required to deliver the relevant Certificate evidencing such Bond accompanied by a duly completed and signed Conversion Notice in the form (for the time being current) obtainable from any Conversion Agent, to the specified office of any Conversion Agent during normal business hours (being between 9:00 a.m. and 3:00 p.m. on a business day) at the place where the Certificate evidencing such Bond is deposited for conversion, by not later than 10 Stock Exchange Business Days prior to the Conversion Date.

*Following the Conversion Date, all Bonds shall irrevocably be written down in the Clearing Systems. The Agents are entitled to mark down the Bonds pursuant to this Condition 6(F) on the Conversion Date without any further instruction from any person, regardless of whether the delivery of Shares has been delivered to all Bondholders and/or the Relevant Person (as applicable) and shall not be liable to any person for so doing.*

- (iv) If, in the case of a Mandatory Conversion of any Bonds, the Conversion Notice and/or the relevant Certificate(s) representing such Bonds are not delivered to the specified office of any Conversion Agent during normal business hours by no later than 10 Stock Exchange Business Days prior to the Conversion Date (such Bonds being the “**Unsurrendered Bonds**”), the relevant Shares will be issued and/or transferred and delivered to a person (the “**Relevant Person**”) selected by the Issuer on the relevant Conversion Date to be held on trust for the relevant Bondholders. Upon a Bondholder of Unsurrendered Bonds identifying themselves to the Issuer and furnishing evidence reasonably satisfactory to the Issuer of its holdings, the Issuer shall cause the Shares issued to the Relevant Person (or the relevant portion thereof) to be delivered to such Bondholder in proportion to the aggregate principal amount of such Unsurrendered Bonds held by such relevant Bondholder (with any fees and costs in connection with such delivery to be borne by such Bondholder, including in respect of the appointment of the Relevant Person). None of the Trustee nor the Agents shall have any duty or responsibility at any time in respect of the delivery of such Shares.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system (each, a “**relevant clearing system**”), delivery of Shares in respect of any Unsurrendered Bonds will be made directly by the Issuer upon presentation of evidence reasonably satisfactory to the Issuer of a Bondholder’s holdings through the relevant clearing systems.*

- (v) Any such Shares transferred and/or cash amount paid as aforesaid to a Bondholder pursuant to this Condition 6(F), along with any applicable accrued interest or Equivalent Amount pursuant to these Conditions shall be treated for all purposes as discharging the Issuer’s obligations in respect of the Mandatory Conversion of the Unsurrendered Bonds, and all rights of each relevant Bondholder to principal and interest in respect of such Unsurrendered Bonds shall be extinguished upon the transfer of Shares and/or payment of the relevant amount in accordance with this Condition 6(F).

## **(G) Definitions**

For the purposes of these Conditions:

“**Affiliate**” means, with respect to any person, any other person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such person. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with”, as applied to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through the ownership of voting securities, by contract or otherwise.

“**Alternative Stock Exchange**” means at any time, in the case of the Shares, if they are not at that time listed and traded on the Hong Kong Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in;

“**Capital Stock**” means, with respect to any person, any and all shares, interests, participations or other equivalents (however designated, whether voting or non-voting) in equity of such person, whether

outstanding on the Issue Date or issued thereafter, including, without limitation, all Common Stock and Preferred Stock, but excluding debt securities convertible into such equity.

a **“Change of Control”** occurs when:

- (a) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries, taken as a whole, to any “person” (within the meaning of Section 13(d) of the Exchange Act), other than one or more Permitted Holders or any Subsidiary of the Issuer;
- (b) the merger, amalgamation or consolidation of the Issuer with or into another person or the merger or amalgamation of another person with or into the Issuer, or the sale of all or substantially all the assets of the Issuer to another person;
- (c) the Permitted Holders are the beneficial owners within the meaning of Rule 13d-3 under the Exchange Act of less than 40.0 per cent. of the total voting power of the Voting Stock of the Issuer;
- (d) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the “beneficial owner” (as such term is used in Rule 13d-3 of the Exchange Act), directly or indirectly, of total voting power of the Voting Stock of the Issuer greater than such total voting power held beneficially by the Permitted Holders;
- (e) individuals who on the Issue Date constituted the board of directors of the Issuer, together with any new directors whose election by the board of directors was approved by a vote of at least two-thirds of the directors then still in office who were either directors or whose election was previously so approved, cease for any reason to constitute a majority of the board of directors of the Issuer then in office; or
- (f) the adoption of a plan relating to the liquidation or dissolution of the Issuer.

**“Closing Price”** means, in respect of a Share for any Trading Day, the price published in the Daily Quotation Sheet published by the Hong Kong Stock Exchange or, as the case may be, the equivalent quotation sheet of an Alternative Stock Exchange for such Trading Day;

**“Common Stock”** means, with respect to any person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or non-voting) of such person’s common stock or ordinary shares, whether or not outstanding on the Issue Date, and include, without limitation, all series and classes of such common stock or ordinary shares.

**“Control”** means the acquisition or control of more than 50 per cent. of the Voting Rights of the issued share capital of the Issuer or the right to appoint and/or remove all or the majority of the members of the Issuer’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of Voting Rights, contract or otherwise;

**“Current Market Price”** means, in respect of a Share on a particular date, the average of the daily Closing Prices of one Share on each of the 20 consecutive Trading Days ending on and including (i) the Trading Day immediately preceding such date or (ii) if the relevant announcement was made after the close of trading on such date (being a Trading Day), such date of announcement; provided that if at any time during such 20 Trading Day period the Shares shall have been quoted ex-dividend (or ex-

any other entitlement) and during some other part of that period the Shares shall have been quoted cum-dividend (or cum-any other entitlement) then:

- (a) if the Shares to be issued in such circumstances do not rank for the dividend (or entitlement) in question, the Closing Price on the dates on which the Shares shall have been quoted cum-dividend (or cum-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share; or
- (b) if the Shares to be issued in such circumstances rank for the dividend or entitlement in question, the Closing Price on the dates on which the Shares shall have been quoted ex-dividend (or ex-any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by the Fair Market Value of that dividend per Share;

and provided further that if on each of the said 20 Trading Days the Shares have been quoted cum-dividend (or cum-any other entitlement) in respect of a dividend (or other entitlement) which has been declared or announced but the Shares to be issued do not rank for that dividend (or other entitlement), the Closing Price on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of that dividend per Share;

**“Distribution”** means, on a per Share basis, (i) the aggregate distribution of assets *in specie* by the Issuer for any financial period whenever paid or made and however described (and for these purposes a distribution of assets *in specie* includes, without limitation, an issue of Shares or other securities credited as fully or partly paid by way of capitalisation of reserves, but excludes any Shares credited as fully paid to the extent an adjustment to the Conversion Price is made in respect hereof under Condition 6(C)(2)(i) and a Scrip Dividend adjusted for under Condition 6(C)(2)(ii)); and (ii) the aggregate cash dividend or distribution on a gross basis (including, without limitation, the relevant cash amount of a Scrip Dividend) of any kind by the Issuer for any financial period (whenever paid and however described) unless it comprises a purchase or redemption of Shares by or on behalf of the Issuer (or a purchase of Shares by or on behalf of a Subsidiary of the Issuer), where the weighted average price or consideration (before expenses) on any one day in respect of such purchases does not exceed the Current Market Price of the Shares by more than five per cent. either (1) on that date, or (2) where an announcement has been made of the intention to purchase Shares at some future date at a specified price, on the Trading Day immediately preceding the date of such announcement and, if in the case of either (1) or (2), the relevant day is not a Trading Day, the immediately preceding Trading Day;

**“Exchange Act”** means the U.S. Securities Exchange Act of 1934, as amended.

**“Fair Market Value”** means, with respect to any asset, security, option, warrant or other right on any date, the fair market value of that asset, security, option, warrant or other right as determined by an Independent Investment Bank on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, provided that an Independent Investment Bank will not be required to determine the fair market value where (i) the Distribution is paid in cash, in which case the fair market value of such cash Distribution per Share shall be the amount of such cash Distribution per Share, (ii) any other amounts are paid in cash, in which case the fair market value of such cash amount shall be the amount of cash, and (iii) options, warrants or other rights or securities are or will upon issuance be publicly traded in a market of adequate liquidity (as determined by such Independent Investment Bank), the fair market value of such options, warrants or other rights or securities shall equal the arithmetic mean of the daily closing price of such options, warrants or other rights or securities during the period of five trading days on the relevant market commencing on the

first such trading day such options, warrants or other rights or securities are publicly traded. Such amounts, if expressed in a currency other than Hong Kong dollars shall be translated into Hong Kong dollars at the Prevailing Rate on such date. In addition, in the case of proviso (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made for or on account of tax and disregarding any associated tax credit;

**“Hong Kong Stock Exchange”** means The Stock Exchange of Hong Kong Limited or its successor thereto;

**“Independent Investment Bank”** means an independent investment bank of international repute (acting as an expert) selected by the Issuer and notified in writing to the Trustee. The Trustee shall not be responsible for or under any obligation to appoint an Independent Investment Bank and shall have no responsibility or liability for verifying any calculation, determination, certification, advice or opinion made, given or reached by it;

**“Permitted Holders”** means any or all of the following:

- (1) Mr. Li Guangyu and Ms. Li Hua, their spouses or immediate family members or any trust established by any of them for their own benefit or for the benefit of any of their immediate family members;
- (2) any Affiliate of the person specified in clause (1) of this definition of Permitted Holders; and
- (3) any person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80 per cent. by persons specified in clauses (1) or (2) of this definition of Permitted Holders.

a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

**“Preferred Stock”** as applied to the Capital Stock of any person means Capital Stock of any class or classes that by its term is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such person, over shares of Capital Stock of any other class of such person.

**“Prevailing Rate”** means, in respect of any currency on any day, the bid exchange rate between the relevant currencies prevailing as at or about 12:00 noon (Hong Kong time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12:00 noon (Hong Kong time) on the immediately preceding day on which such rate can be so determined;

**“Relevant Cash Dividend”** means the aggregate cash dividend or distribution declared by the Issuer, including any cash dividend in respect of which there is any Scrip Dividend;

a **“Relevant Event”** occurs:

- (i) when the Shares cease to be listed or admitted to trading or are suspended from trading for a period equal to or exceeding 20 consecutive Trading Days on Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange;
- (ii) when less than 25 per cent. of the Issuer’s total number of issued shares are held by public; or

(iii) when there is a Change of Control.

“**Relevant Page**” means the relevant Bloomberg BFIX page (or its successor page) or, if there is no such page, on the relevant Reuters HKDFIX page (or its successor page) or such other information service provider that displays the relevant information;

“**Relevant Stock Exchange**” means at any time, in respect of the Shares, the Hong Kong Stock Exchange or the Alternative Stock Exchange;

“**Scrip Dividend**” means any Shares issued in lieu of the whole or any part of any Relevant Cash Dividend, being a dividend which the Shareholders concerned would or could otherwise have received (and for the avoidance of doubt, to the extent that an adjustment is made under Condition 6(C)(3) in respect of the Relevant Cash Dividend, no adjustment is to be made for the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend or part thereof for which an adjustment is already made under Condition 6(C)(2)(ii));

“**Share Delivery EoD**” means an Event of Default pursuant to Condition 10(A)(ii) (*Failure to deliver Shares*).

“**Trading Day**” means a day when the Hong Kong Stock Exchange or, as the case may be an Alternative Stock Exchange, is open for dealing business, provided that for the purposes of any calculation where a Closing Price or VWAP is required, if no Closing Price or VWAP is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days; and

“**Voting Rights**” means the right generally to vote at a general meeting of shareholders of the Issuer;

“**Voting Stock**” means, with respect to any person, Capital Stock of any class or kind ordinarily having the power to vote for the election of directors, managers or other voting members of the governing body of such person; and

“**VWAP**” means, in respect of a Share on any Trading Day, the order book volume-weighted average price of a Share published by or derived from Bloomberg (or any successor service) page “VAP” or such other source as shall be determined to be appropriate by an Independent Investment Bank on such Trading Day, provided that on any such Trading Day where such price is not available or cannot otherwise be determined as provided above, the VWAP of a Share in respect of such Trading Day shall be the VWAP, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined.

References to any issue or offer or grant to Shareholders “as a class” or “by way of rights” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders, other than Shareholders by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

## **7 Payments**

### **(A) Method of Payment**

Payment of principal and interest and any other amount due will be made by transfer to the registered account of the Bondholder. Such payment will only be made after surrender of the relevant Certificate at the specified office of any of the Agents.

If an amount which is due on the Bonds is not paid in full, the Registrar will annotate the Register with a record of the amount (if any) in fact paid.

References in these Conditions, the Trust Deed and the Agency Agreement to principal in respect of any Bond shall, where the context so permits, be deemed to include a reference to any premium payable thereon.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of a relevant clearing system (as defined above), each payment of principal of, and any other amounts (including premium) due under, the Bonds evidenced by the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day (as defined above) before the due date for such payments.*

**(B) Registered Accounts**

For the purposes of this Condition 7, a Bondholder's registered account means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the second Payment Business Day (as defined in Condition 7(F)) before the due date for payment, and a Bondholder's registered address means its address appearing on the Register at that time.

**(C) Payments Subject to Fiscal Laws**

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 any law implementing an intergovernmental approach thereto). No commission or expenses shall be charged to the Bondholders in respect of such payments.

**(D) Payment Initiation**

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Payment Business Day (as defined in Condition 7(F)), for value on the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if it is not a Payment Business Day, the immediately following Payment Business Day) or, in the case of a payment of principal, if later, on the Payment Business Day on which the relevant Certificate is surrendered at the specified office of an Agent.

**(E) Default Interest and Delay in Payment**

If the Issuer fails to pay any sum in respect of the Bonds when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the rate of 3.90 per cent. per annum from the due date. Such default interest shall accrue on the basis of the actual number of days elapsed and a 365-day year.

Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day, if the Bondholder is late in surrendering its Certificate (if required to do so).



**(F) Payment Business Day**

In this Condition 7, “**Payment Business Day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and the city in which the specified office of the Principal Agent is located and, in the case of the surrender of a Certificate, in the place where the Certificate is surrendered.

**(G) Agents**

The initial Agents and their initial specified offices are listed below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and appoint additional or replacement Agents, provided that it will maintain (i) a Principal Agent, (ii) a Registrar with a specified office outside Hong Kong and the United Kingdom, and (iii) such other agents as may be required by the Hong Kong Stock Exchange. Notice of any changes in any Agent or their specified offices will promptly be given to the Bondholders.

## **8 Redemption, Purchase and Cancellation**

**(A) Maturity**

Unless previously redeemed, converted or purchased and cancelled as provided herein, the Issuer will redeem each Bond at its principal amount together with accrued and unpaid interest thereon on 27 December 2024 (the “**Maturity Date**”). The Issuer may not redeem the Bonds at its option prior to that date except as provided in Conditions 8(B) or 8(C) (but without prejudice to Condition 10).

**(B) Redemption for Taxation Reasons**

The Bonds may be redeemed, at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days’ notice (a “**Tax Redemption Notice**”) to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11 (which notice shall be irrevocable), on the date specified in the Tax Redemption Notice for redemption (the “**Tax Redemption Date**”) at their principal amount as at such date together with interest accrued up to but excluding such date (if any), if the Issuer satisfies the Trustee immediately prior to the giving of such notice that (i) it has or will become obliged to pay Additional Tax Amounts as provided or referred to in Condition 9 as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands, the PRC or, in any such case, any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 27 December 2019, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds then due. Prior to the publication of any Tax Redemption Notice pursuant to this Condition 8(B), the Issuer shall deliver to the Trustee (a) a certificate signed by two Authorised Signatories (as defined in the Trust Deed) of the Issuer stating that the obligation referred to in (i) above of this Condition 8(B) cannot be avoided by the Issuer taking reasonable measures available to it and (b) an opinion of independent legal or tax advisers of recognised standing to the effect that such change or amendment referred to in (i) above of this Condition 8(B) has occurred (irrespective of whether such amendment or change is then effective), and the Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent set out above in (i) and (ii) of this Condition 8(B), in which event the same shall be conclusive and binding on the Bondholders.

and the Trustee shall be protected and incur no liability to any Bondholder for or in respect of any action taken, omitted or suffered in reliance upon such certificate and opinion.

On the Tax Redemption Date, the Issuer (subject to the following paragraph of this Condition 8(B)) shall redeem the Bonds at their principal amount, together with interest accrued up to but excluding the Tax Redemption Date (if any).

If the Issuer issues a Tax Redemption Notice, each Bondholder will have the right to elect that his Bond(s) shall not be redeemed and that the provisions of Condition 9 shall not apply in respect of any payment to be made in respect of such Bond(s) which falls due after the relevant Tax Redemption Date, whereupon no Additional Tax Amounts shall be payable in respect thereof pursuant to Condition 9 and payment of all amounts shall be made subject to the deduction or withholding of any taxation required to be withheld or deducted. To exercise such a right, the relevant Bondholder must complete, sign and deposit during normal business hours (being between 9:00 a.m. and 3:00 p.m.) at the specified office of any Paying Agent a duly completed and signed notice of election, in the form for the time being current, obtainable during normal business hours (being between 9:00 a.m. and 3:00 p.m.) from the specified office of any Paying Agent (the “**Tax Option Exercise Notice**”) together with the Certificate evidencing the Bonds to be redeemed, on or before the day falling 10 days prior to the Tax Redemption Date. A Tax Option Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer’s consent.

**(C) Redemption at the Option of the Issuer**

On giving not less than 30 nor more than 60 days’ notice (such period of not less than 30 nor more than 60 days’ of notice shall herein be referred to as the “**Optional Notice Period**”) to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 11 (an “**Optional Redemption Notice**”), the Issuer may:

- (i) for so long as the Shares are not suspended from trading on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange (such trading suspension shall herein be referred to as a “**Share Suspension**”) and there is no outstanding Share Delivery EoD, in each case prior to or during the Optional Notice Period, at any time redeem in whole, but not in part, the Bonds for the time being outstanding at their principal amount together with interest accrued up to but excluding the date specified in the relevant Optional Redemption Notice for redemption (the “**Optional Redemption Date**”). For the avoidance of doubt, if any Share Suspension and/or Share Delivery EoD occurs prior to or during the Optional Notice Period, (a) any Optional Redemption Notice delivered shall be deemed to be void and of no effect and (b) the Issuer shall not be entitled to redeem the Bonds pursuant to this Condition 8(C)(i), provided however, that if the Share Suspension and Share Delivery EoD is remedied, the Issuer’s redemption right under this this Condition 8(C)(i) shall revive (subject to the Issuer being required to deliver a new Optional Redemption Notice which shall specify a new Optional Notice Period); or
- (ii) at any time redeem in whole, but not in part, the Bonds at their principal amount together with interest accrued up to but excluding the Optional Redemption Date if, prior to the date the relevant Optional Redemption Notice is given, Conversion Rights shall have been exercised and/or purchases (and corresponding cancelations) and/or redemptions effected in respect of 90 per cent. or more in principal amount of the Bonds originally issued (which shall for this purpose include any further bonds issued in accordance with Condition 17 and consolidated and forming a single series therewith).

**(D) Redemption for Relevant Event**

Following the occurrence of a Relevant Event (as defined in Condition 6(G)), the holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on the Relevant Event Put Date at their principal amount together with interest accrued up to but excluding such date (if any). To exercise such right, the holder of the relevant Bond must deposit during normal business hours (being between 9:00 a.m. and 3:00 p.m.) at the specified office of any Paying Agent a duly completed and signed notice of redemption, in the form for the time being current, obtainable during normal business hours (being between 9:00 a.m. and 3:00 p.m.) from the specified office of any Paying Agent (a "**Relevant Event Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not later than 60 days following a Relevant Event, or, if later, 60 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 11. The "**Relevant Event Put Date**" shall be the fourteenth day after the expiry of such period of 60 days as referred to above.

A Relevant Event Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent. The Issuer shall redeem the Bonds the subject of the Relevant Event Put Exercise Notice (subject to delivery of the relevant Certificate as aforesaid) on the Relevant Event Put Date.

Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur and shall be entitled to assume that no such event has occurred until they have received written notice to the contrary from the Issuer. The Agents and the Trustee will not be responsible or liable to Bondholders for any loss arising from any failure by it to do so.

The Issuer shall give notice to Bondholders in accordance with Condition 11 by not later than 14 days following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 8(D) and shall give brief details of the Relevant Event.

**(E) Redemption at the Option of Bondholders**

The holder of each Bond will have the right at such holder's option, to require the Issuer to redeem all or some only of such holder's Bonds on 27 December 2022 (the "**Optional Put Date**") at their principal amount together with interest accrued up to but excluding such date. To exercise such right, the holder of the relevant Bond must deposit during normal business hours (being between 9:00 a.m. and 3:00 p.m.) at the specified office of any Paying Agent a duly completed and signed exercise notice, in the form for the time being current, obtainable during normal business hours (being between 9:00 a.m. and 3:00 p.m.) from the specified office of any Paying Agent (an "**Optional Put Exercise Notice**"), together with the Certificate evidencing the Bonds to be redeemed by not more than 60 nor less than 30 days prior to the Optional Put Date.

An Optional Put Exercise Notice, once delivered, shall be irrevocable without the Issuer's consent. The Issuer shall redeem the Bonds the subject of the relevant Optional Put Exercise Notice (subject to delivery of the relevant Certificate as aforesaid) on the Optional Put Date.

**(F) Mandatory Redemption by the Issuer**

On 30 January 2023 (the "**Mandatory Redemption Date**"), the Issuer shall redeem (on a pro rata basis amongst all Bondholders in proportion to the aggregate principal amount of Bonds held by each Bondholder) HK\$500,000,000 in aggregate principal amount of the Bonds, at their principal amount

together with interest on all outstanding Bonds accrued up to but excluding the Mandatory Redemption Date.

**(G) Purchase**

The Issuer or any of its Subsidiaries may, subject to applicable laws and regulations, at any time and from time to time purchase Bonds at any price in the open market or otherwise.

**(H) Cancellation**

All Bonds which are redeemed, converted or purchased by the Issuer or any of its Subsidiaries, will forthwith be cancelled. Certificates in respect of all Bonds cancelled will be forwarded to or to the order of the Registrar and such Bonds may not be reissued or resold.

**(I) Redemption Notices**

All notices to Bondholders given by or on behalf of the Issuer pursuant to this Condition 8 will be irrevocable and will be given in accordance with Condition 11 specifying: (a) the Conversion Price as at the date of the relevant notice; (b) the last day on which Conversion Rights may be exercised; (c) the Closing Price of the Shares on the latest practicable date prior to the publication of the notice; (d) the applicable redemption amount and accrued interest payable (if any); (e) the date for redemption; (f) the manner in which redemption will be effected; and (g) the aggregate principal amount of the Bonds outstanding as at the latest practicable date prior to the publication of the notice.

If more than one notice of redemption is given (being a notice given by either the Issuer or a Bondholder pursuant to this Condition), the first in time shall prevail. Neither the Trustee nor the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under these Conditions.

## **9 Taxation**

All payments of principal and interest made by or on behalf of the Issuer in respect of the Bonds shall be made free from any restriction or condition and be made without deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied collected, withheld or assessed by the Cayman Islands or the PRC or any authority thereof or therein having power to tax, unless such deduction or withholding is required by law.

Where such withholding or deduction is made by the Issuer by or within the PRC up to and including the aggregate rate applicable on 27 December 2019 (the “**Applicable Rate**”), the Issuer will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amounts which would otherwise have been receivable by them had no such withholding or deduction been required.

If the Issuer is required to make a deduction or withholding (i) by or within the PRC in excess of the Applicable Rate or (ii) by or within the Cayman Islands, the Issuer shall pay such additional amounts (“**Additional Tax Amounts**”) as will result in the receipt by the Bondholders of such amounts as would have been received by them had no such deduction or withholding been required, except that no Additional Tax Amounts shall be payable in respect of any Bond:

- (i) *Other connection:* to a holder (or to a third party on behalf of a holder) who is subject to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with the Cayman Islands or the PRC otherwise than by the mere holding of the Bond or by the receipt of amounts in respect of the Bond; or

- (ii) *Presentation more than 30 days after the relevant date:* (in the case of a payment of principal) if the Certificate in respect of such Bond is surrendered more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on surrendering the relevant Certificate for payment on the last day of such period of 30 days.

For the purposes hereof, “**Relevant Date**” means whichever is the later of (a) the date on which such payment first becomes due and (b) if the full amount payable has not been received by the Trustee or the Principal Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders and payment made.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under this Condition 9 or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

The provisions of this Condition 9 shall not apply in respect of any payments of interest which fall due after the relevant Tax Redemption Date in respect of any Bonds which are the subject of a Bondholder election pursuant to Condition 8(B).

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, charges, withholding or other payment referred to in this Condition 9 or for determining whether such amounts are payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, any Bondholder or any third party to pay such tax, duty, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, charge, withholding or other payment imposed by or in any jurisdiction.

## **10 Events of Default**

### **(A) Events of Default**

If any of the following events (each an “**Event of Default**”) occurs, the Trustee at its discretion may, and if so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding, or if so directed by an Extraordinary Resolution, shall (subject to being indemnified and/or secured and/or pre-funded by the holders to its satisfaction), give notice to the Issuer that the Bonds are, and they shall immediately become due and repayable at their principal amount together with accrued interest (if any) up to but excluding the date of payment (subject as provided below and without prejudice to the right of Bondholders to exercise the Conversion Right in respect of their Bonds in accordance with Condition 6):

- (i) *Non-Payment:* the Issuer fails to pay the principal of or any interest on any of the Bonds when due; or
- (ii) *Failure to deliver Shares:* any failure by the Issuer to deliver any Shares as and when the Shares are required to be delivered following Conversion of Bonds; or
- (iii) *Breach of Other Obligations:* the Issuer does not perform or comply with any one or more of its other obligations in the Bonds or the Trust Deed which default is in the opinion of the Trustee incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 14 business days after written notice of such default shall have been given to the Issuer by the Trustee; or

- (iv) *Cross-Default*: (a) any other present or future indebtedness of the Issuer or any of its Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (c) the Issuer or any of its Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 10(A)(iv) have occurred equals or exceeds U.S.\$7,500,000 or its equivalent in any other currency on the day on which such indebtedness becomes due and payable or is not paid or any such amount becomes due and payable or is not paid under any such guarantee or indemnity; or
- (v) *Enforcement Proceedings*: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the property, assets or revenues of the Issuer or any of its Subsidiaries and is not discharged or stayed within 21 business days, other than a distress, attachment, execution or other legal process in respect of any litigation proceedings contemplated in the Issuer's circular dated 29 June 2018 published on the Hong Kong Stock Exchange in relation to the acquisition of LEI Lie Ying Limited; or
- (vi) *Security Enforced*: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) against any substantial part of the property, assets or revenues of the Issuer or any of its Subsidiaries and is not discharged or stayed within 21 business days; or
- (vii) *Winding-up*: an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Issuer or any of its Subsidiaries (except for a members' voluntary solvent winding-up of a Subsidiary) and such order is not discharged or stayed within 14 business days, or the Issuer or any of its Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (a) on terms approved by an Extraordinary Resolution of the Bondholders, or (b) in the case of a Subsidiary, whereby the undertaking and assets of such Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries; or
- (viii) *Insolvency*: the Issuer or any of its Subsidiaries is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a substantial part of its debts, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any substantial part of such debts or a moratorium is agreed or declared in respect of or affecting all or any substantial part of (or of a particular type of) the debts of the Issuer or any of its Subsidiaries; an administrator or liquidator of the Issuer or any of its Subsidiaries or the whole or any substantial part of the assets and turnover of the Issuer or any of its Subsidiaries is appointed and such appointment is not discharged or stayed within 14 business days; or
- (ix) *Nationalisation*: (a) any step is taken by any competent governmental authority with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a substantial part of the assets of the Issuer or any of its Subsidiaries or (b) the Issuer, or any of its Subsidiaries

is prevented by any competent governmental authority from exercising normal control over all or, in the opinion of the Trustee, a substantial part of its property, assets and turnover; or

- (x) *Authorisation and Consents*: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (a) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and the Trust Deed, (b) to ensure that those obligations are legally binding and enforceable, and (c) to make the Bonds and the Trust Deed admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or
- (xi) *Illegality*: it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or the Trust Deed; or
- (xii) *Analogous Events*: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of Conditions 10(A)(v) to 10(A)(viii) (both inclusive).

**(B) Default Cure Amount**

If the Bonds have become due and payable pursuant to Condition 10(A), notwithstanding Condition 6(A) and receipt of any payment after the acceleration of the Bonds and provided that no Conversion Notice has been delivered pursuant to Condition 6(A)(ii), a Bondholder may exercise its Conversion Right in accordance with this Condition 10(B) by depositing a Conversion Notice (unless with respect to Condition 10(A)(iii) a Conversion Notice has already been deposited in which case further deposit will not be required) with a Conversion Agent during the period from and including the date of an acceleration notice with respect to an event specified in Condition 10(A) (at which time the Issuer will notify the Bondholders of the number of Shares per Bond to be delivered upon conversion, assuming all the then outstanding Bonds are converted) to and including the 30th Hong Kong business day after such payment.

If the Conversion Right attached to any Bond is exercised pursuant to this Condition 10(B), or if an Event of Default has occurred pursuant to Condition 10(A)(ii), the Issuer shall at the option of the converting Bondholder (notice of exercise of such option to be delivered to the Conversion Agent in writing) in lieu of delivery of the relevant Shares determine and pay to such Bondholder an amount in Hong Kong dollars (the “**Default Cure Amount**”), equal to the product of (x) (i) the number of Shares that are required to be delivered by the Issuer to satisfy the Conversion Right in relation to such converting Bondholder minus (ii) the number of Shares that are actually delivered by the Issuer pursuant to such Bondholders’ Conversion Notice and (y) the Current Market Price of the Shares on the Conversion Date; provided that if such Bondholder has received any payment under the Bonds pursuant to this Condition 10(B), the amount of such payment shall be deducted from the Default Cure Amount. Payment of the Default Cure Amount shall be paid to the converting Bondholder on the third Payment Business Day following the date on which notice of exercise of the option to receive the Default Cure Amount is delivered.

## **11 Notices**

Notices to the holders of Bonds shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing, unless such notices are duly published in a manner as provided below. The Issuer shall ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange

or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the first date on which publication is made.

*So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or the Alternative Clearing System (as defined in the form of the Global Certificate), notices to Bondholders shall be given by delivery of the relevant notice to Euroclear or Clearstream or the Alternative Clearing System, for communication by it to entitled accountholders in substitution for notification as required by the Conditions, and such notice shall be deemed to be received by the Bondholders on the date of delivery of such notice to Euroclear or Clearstream or the Alternative Clearing System.*

## **12 Prescription**

Claims in respect of amounts due in respect of the Bonds will become prescribed and become void unless made within 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date.

## **13 Replacement of Certificates**

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Registrar or any Transfer Agent, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity and/or security as the Issuer, the Registrar or such Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

## **14 Meetings of Bondholders, Modification and Waiver**

### **(A) Meetings of Bondholders**

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed or the Agency Agreement. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if requested in writing to do so by Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (a) to modify the maturity of the Bonds, the Optional Redemption Date or the dates on which interest is payable in respect of the Bonds, (b) to modify the circumstances in which the Issuer or Bondholders are entitled to redeem the Bonds pursuant to Conditions 8(B), 8(C), 8(D), 8(E) or 8(F), (c) to reduce or cancel the principal amount, interest or Equivalent Amount payable in respect of the Bonds or changing the method of calculation of interest, (d) to change the currency of denomination or payment of the Bonds, (e) to modify (except by a unilateral and unconditional reduction in the Conversion Price) or cancel (i) the Conversion Rights or (ii) the provisions relating to the Mandatory Conversion, or (f) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 66 per cent., or at any adjourned meeting not less than 33 per cent., in aggregate principal amount of the



Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a written resolution signed by or on behalf of the holders of not less than 90 per cent. of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed Extraordinary Resolution of the Bondholders. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

**(B) Modification and Waiver**

The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (a) any modification of any of the provisions of the Trust Deed, the Agency Agreement or the Bonds (together the “**Documentation**”) which in the Trustee’s opinion is of a formal, minor or technical nature, or is made to correct a manifest error, or to comply with mandatory provisions of law, and (b) any other modification to the Documentation (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Documentation which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders. The Trustee may, without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default (as defined in the Trust Deed) should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee otherwise agrees, any such modification and any authorisation or waiver which is in writing shall be notified by the Issuer to the Bondholders promptly in accordance with Condition 11.

**(C) Entitlement of the Trustee**

In connection with the exercise of its functions, rights, powers and discretions (including but not limited to those referred to in this Condition 14) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or the Trustee any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholders.

*In the event of the passing of an Extraordinary Resolution in accordance with Condition 14(A), a modification, waiver or authorisation in accordance with Condition 14(B), the Issuer will procure that the Bondholders be notified in accordance with Condition 11.*

## **15 Enforcement**

The Trustee may, at any time, at its discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Agency Agreement and the Bonds, but it needs not take any such steps and/or actions and/or institute any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or shall have been so requested in writing by the holders of not less than 25 per cent. in aggregate principal amount of the Bonds then outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable period and such failure is continuing.

## **16 Indemnification of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may rely without liability to Bondholders on any report, confirmation or certificate or any advice of any accountants, lawyers, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation or certificate or advice, in which case such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement or these Conditions to exercise any discretion or power, take or refrain from taking any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of an Extraordinary Resolution, and the Trustee shall not be responsible for any loss or liability incurred by the Issuer, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking or refraining from such action, making such decision or giving such direction as a result of seeking such direction from the Bondholders or in the event that no direction is given to the Trustee by the Bondholders.

None of the Trustee or any of the Agents shall be responsible for the performance by the Issuer and/or any other person appointed by the Issuer in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed.

None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer or any other person for any action taken by the Trustee or such Agent in accordance with the instruction, direction or request of the Bondholders. The Trustee shall be entitled to rely on any instruction, direction, request or resolution of Bondholders given by Bondholders holding the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed.

Neither the Trustee nor any of the Agents shall have any obligation to monitor compliance with the provisions of the Trust Deed, the Agency Agreement or these Conditions or to monitor whether an Event of Default or a Potential Event of Default or a Relevant Event has occurred, and shall not be responsible or liable to the Issuer, the Bondholders or any other person for not doing so.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer and the Trustee shall not at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee in respect thereof.

## **17 Further Issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further securities having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the first payment of interest on them and the timing for the making of the NDRC Post-issue Filing) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. References

in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition 17 and forming a single series with the Bonds. Any further securities forming a single series with the outstanding Bonds constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed.

## **18 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

## **19 Governing Law and Submission to Jurisdiction**

### **(A) Governing Law**

The Bonds, the Trust Deed and the Agency Agreement and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

### **(B) Jurisdiction**

The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds (“**Proceedings**”) may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts.

### **(C) Service of Process**

Pursuant to the Trust Deed, the Issuer has agreed to receive service of process in any Proceedings in Hong Kong in relation to the Bonds at its business address in Hong Kong, currently at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

### **(D) Waiver of Immunity**

The Issuer has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

This Trust Deed is delivered on the date stated at the beginning.

**EXECUTED** as a **DEED** by  
**CHINA YUHUA EDUCATION**  
**CORPORATION LIMITED**

---

Duly Authorised Signatory

Name:

Title:

in the presence of:

---

Name:

Address:

Occupation:

**Executed as a Deed by**

**THE BANK OF NEW YORK MELLON,  
LONDON BRANCH**

}

By:

附件B  
補充代理協議表

## **SUPPLEMENTAL AGENCY AGREEMENT**

relating to HK\$2,088,000,000 0.90 per cent. Convertible Bonds due 2024 convertible into ordinary shares of China YuHua Education Corporation Limited

Dated [●] 2023

### **CHINA YUHUA EDUCATION CORPORATION LIMITED**

as Issuer

and

### **THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Trustee

and

### **THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Agent

and

### **THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH**

as Registrar and Transfer Agent

## Table of Contents

| Contents   | Page |
|--|------|
| 1 Interpretation .....                               | 1    |
| 2 Amendments .....                                   | 2    |
| 3 Further Assurance .....                            | 4    |
| 4 Stamp Duties and Taxes .....                       | 4    |
| 5 Counterparts .....                                 | 5    |
| 6 Contracts (Rights of Third Parties) Act 1999 ..... | 5    |
| 7 Governing Law and Jurisdiction .....               | 5    |
| SCHEDULE 1 Form of Conversion Notice .....           | 7    |



**This Supplemental Agency Agreement** is made on [●] 2023 **between:**

- (1) **CHINA YUHUA EDUCATION CORPORATION LIMITED**, incorporated in the Cayman Islands with limited liability (the “**Issuer**”);
- (2) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a banking corporation organised and existing under the laws of the State of New York with limited liability and operating through its branch in London at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom as principal paying agent and principal conversion agent (collectively in those capacities, the “**Principal Agent**”);
- (3) **THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH**, as registrar and as transfer agent (the “**Registrar**” and the “**Transfer Agent**”); and
- (4) **THE BANK OF NEW YORK MELLON, LONDON BRANCH**, a banking corporation organised and existing under the laws of the State of New York with limited liability and operating through its branch in London at 160 Queen Victoria Street, London EC4V 4LA, United Kingdom, as the trustee (the “**Trustee**”).

**Whereas:**

- (A) The Issuer issued HK\$2,088,000,000 aggregate principal amount of 0.90 per cent. convertible bonds due 2024 (the “**Bonds**”) on 27 December 2019 (the “**Issue Date**”).
- (B) By an extraordinary resolution dated [●] 2023 (the “**Extraordinary Resolution**”), the holders of the Bonds assented and consented to certain amendments and waivers relating to the Bonds and authorised, directed, requested and empowered the Trustee to assent and consent to such amendments and waivers and to enter into, *inter alia*, this supplemental agency agreement (this “**Supplemental Agency Agreement**”).
- (C) The parties hereto wish to amend the paying, conversion and transfer agency agreement dated 27 December 2019 between the parties hereto (the “**Original Agency Agreement**”) as provided herein, and this Supplemental Agency Agreement will amend and supplement the Original Agency Agreement with effect from the date hereof.
- (D) The Bonds are constituted by the trust deed dated 27 December 2019 between the Issuer and the Trustee (as amended and supplemented by the supplemental trust deed dated [●] 2023 and as further amended and/or supplemented from time to time, the “**Trust Deed**”).

**It is agreed** as follows:

## **1 Interpretation**

### **1.1 Definitions**

Unless otherwise defined in this Supplemental Agency Agreement (including the recitals hereto), terms defined or construed in the Original Agency Agreement and the Trust Deed shall have the same meanings or construction in this Supplemental Agency Agreement.

In addition, all references in the Original Agency Agreement to “this Agreement”, the “Agency Agreement” and the “Paying, Conversion and Transfer Agency Agreement” shall be deemed to refer to the Original Agency Agreement as supplemented by this Supplemental Agency Agreement and all references to the “Trust Deed” in the Original Agency Agreement shall be deemed to refer to the Trust Deed as defined in this Supplemental Agency Agreement, and all references in the Original Agency Agreement to “Global Certificate” shall be deemed to

refer to the global certificate dated [●] 2023 in respect of the outstanding Bonds duly executed and delivered by the Issuer in accordance with the Agency Agreement,

## **1.2 Construction**

Clauses 1.2 (*Construction of Certain References*), 1.3 (*Headings*), 1.4 (*Exhibits*), 1.5 (*Clauses*), Clause 1.7 (*Amended Documents*) and Clause 1.8 (*Statutes*) of the Original Agency Agreement shall have effect, *mutatis mutandis*, as if set out in full in this Supplemental Agency Agreement.

## **1.3 Effect of this Supplemental Agency Agreement**

This Supplemental Agency Agreement is supplemental to the Original Agency Agreement and this Supplemental Agency Agreement and the Original Agency Agreement (as amended pursuant to this Supplemental Agency Agreement) shall be read and construed together as one deed, provided always that in the event of any inconsistency between the Original Agency Agreement and this Supplemental Agency Agreement, the provisions of this Supplemental Agency Agreement shall override such inconsistent provisions of the Original Agency Agreement. Each of the amendments contemplated by this Supplemental Agency Agreement shall take effect from the date of this Supplemental Agency Agreement. Save for the amendments to the Original Agency Agreement confirmed by this Supplemental Agency Agreement, all terms and conditions of the Original Agency Agreement shall remain in full force and effect.

## **2 Amendments**

On and from the date of this Supplemental Agency Agreement, the Original Agency Agreement shall be amended as follows:

### **2.1** A new Clause 5.12 shall be inserted after Clause 5.11 of the Original Agency Agreement:

“In respect of Condition 4(D), the Issuer shall, not later than ten Business Days prior to each Fee Payment Date, provide notice in writing to the Principal Agent and the Bondholders of the amount of Extension Fee to be paid and instruct the Principal Agent to pay the relevant Extension Fee on such Fee Payment Date.”

### **2.2** The following additional paragraph shall be inserted at the end of Clause 6.1 of the Original Agency Agreement:

“In respect of a Mandatory Conversion, as a precondition to delivery of Shares pursuant to a Mandatory Conversion of the Bonds, Bondholders are required to deliver such Bonds (or the Certificate(s) representing them) together with the Conversion Notice duly completed and signed to the specified office of the Conversion Agent by not later than 10 Stock Exchange Business Days prior to the Conversion Date. Each Conversion Agent shall from 9:00 a.m. to 3:00 p.m. on any business day (being a day other than a Saturday or Sunday on which commercial banks are open for business in the city in which the Conversion Agent's specified office is located) during the period when a Mandatory Conversion is or is capable of being or becoming exercisable, at the specified office of the relevant Conversion Agent accept deposit on behalf of the Issuer of (a) any Definitive Certificates in respect of Bonds which are subject to a Mandatory Conversion together with a Conversion Notice duly completed or (b) in the case of Bonds represented by the Global Certificate, a Conversion Notice duly completed.”

**2.3** Clause 6.2 of the Original Agency Agreement shall be amended with the following words in underlined added:

**“Global Certificate:** Conversion Rights attaching to the Bonds represented by the Global Certificate or any Mandatory Conversion of Bonds represented by the Global Certificate shall be exercised in the manner set out in Clause 6.1, provided that:

- 6.2.1 the Global Certificate need not be deposited with the Conversion Agent together with the relevant Conversion Notice;
- 6.2.2 the Conversion Notice for Bonds represented by the Global Certificate may be completed and deposited by or on behalf of an account holder of Clearstream or Euroclear or an Alternative Clearing System (in which the Bond to be converted is held at such time) which has an interest in such Bonds;
- 6.2.3 Bonds which have been converted will be cancelled forthwith and the Global Certificate shall be annotated accordingly without cancellation of the Global Certificate; and
- 6.2.4 the holding of an interest in Bonds by an account holder of Clearstream or Euroclear or an Alternative Clearing System in which the Bonds are held at such time in respect of which the Conversion Rights are exercised or which are subject to a Mandatory Conversion will be confirmed by the relevant clearing system with the Conversion Agent.”

**2.4** Clause 6.5 of the Original Agency Agreement shall be amended with the following words in underlined added:

**“Delivery:**

- 6.5.1 Upon receipt of the relevant Agent Conversion Notification, the Issuer will as soon as practicable send notification (substantially in the form specified in Exhibit C hereto) by facsimile to the Conversion Agent which has initially received the relevant Conversion Notice (and will send a copy to the Principal Agent (if it is not the Conversion Agent which received the relevant Conversion Notice) and the Registrar), in the case of a Bond in respect of which the Conversion Right has been exercised and in respect of which a Conversion Notice was deposited or in the case of a Bond which is the subject of a Mandatory Conversion and in respect of which a Conversion Notice was deposited, confirming that (i) delivery, despatch or payment in accordance with such Conversion Notice (or otherwise in accordance with the converting Bondholder’s instructions) of the certificate or certificates for the relevant Shares and/or cash required to be delivered upon conversion has been or will be made; and (ii) that the converting Bondholder or other person nominated in the Conversion Notice has been registered as the owner of the relevant Shares issued on conversion.
- 6.5.2 None of the Agents shall have any responsibility for the Issuer’s failure to effect any delivery in accordance with this Clause 6.5.”

**2.5** Clause 6.7 of the Original Agency Agreement shall be amended with the following words in underlined added:

**“Notice of Adjustment:** If, while any Conversion Right or Mandatory Conversion is or is capable of being or becoming exercisable, there shall be any adjustment to the Conversion Price, the Issuer shall (i) as soon as reasonably practicable notify the Trustee and the

Principal Agent of particulars of the event giving rise to the adjustment, the Conversion Price before and after the adjustment, the date on which the adjustment takes effect and such other information in connection therewith as the Trustee may require, and (ii) promptly after the adjustment takes effect, give notice to the Bondholders stating that the Conversion Price has been adjusted and setting out the Conversion Price in effect before the adjustment, the adjusted Conversion Price and the effective date of the adjustment. However, a notice pursuant to clause 6 of the Trust Deed (other than clause 6.3 of the Trust Deed) correctly stating any information required to be given pursuant to this Clause 6.7 shall, as to such information, satisfy the requirements of this Clause 6.7. The Agents shall be under no duty or responsibility to determine, monitor or verify whether an event requiring adjustment of the Conversion Price has occurred or any circumstances exist which may require any adjustment of the Conversion Price, or to determine, calculate or verify the Conversion Price and/or any adjustments to it. The Agents shall be entitled to rely without further investigation or liability on all calculations, reports, opinions and determinations reached or made by the Issuer and/or the Independent Investment Bank and will not be responsible to Bondholders or to the Issuer or any other person for any loss arising from any such failure or reliance or for any delay of the Issuer or the Independent Investment Bank in making any calculation or determination or for the Issuer or the Independent Investment Bank making any erroneous calculation or determination in connection with the Conversion Price or any adjustment thereto."

- 2.6** Clause 6.10 of the Original Agency Agreement shall be amended with the following words in underlined added:

**"Fees and Expenses of Conversion:** The Issuer shall pay all taxes and/or capital, stamp, issue and registration and transfer or similar taxes and duties, payable in the Cayman Islands and Hong Kong in respect of the allotment and issue of Shares and listing of such Shares (other than those taxes and/or capital, stamp, issue and registration and transfer taxes and duties paid or payable on conversion by the converting Bondholder as expressly provided in Condition 6(B)(ii)) and all expenses arising on the issue of the Shares on conversion of the Bonds, including all properly incurred expenses and charges of the Conversion Agents in connection thereon, save that in respect of any Mandatory Conversion, the Issuer shall pay all taxes and/or capital, stamp, issue and registration and transfer or similar taxes and duties payable in connection with the Mandatory Conversion, including but not limited to the allotment and issue of Shares and listing of such Shares, and all expenses arising on the issue of the Shares on conversion of the Bonds, including all properly incurred expenses and charges of the Conversion Agents in connection thereon."

- 2.7** the Form of Conversion Notice contained in Exhibit A to the Supplemental Agency Agreement shall be deleted in its entirety and replaced by Schedule 1 hereto.

### **3 Further Assurance**

The Issuer shall, at its own cost, take such action and execute such documentation as the Trustee or any Agent shall request in order to effect the amendments under the Original Agency Agreement and the Bonds in the manner contemplated by this Supplemental Agency Agreement.

### **4 Stamp Duties and Taxes**

The Issuer will pay or reimburse all stamp, registration and other documentary taxes, duties, assessments or government charges (including any interest and penalties thereon or in

connection therewith), if any, to which this Supplemental Agency Agreement may be subject or payable in connection with the execution, delivery, issue, payment, performance and/or enforcement of this Supplemental Agency Agreement by the Agents. No Agent (a) shall be under any obligation to determine whether the Issuer is liable to pay such taxes, duties, fees assessments or government charges; (b) shall be liable to pay any such taxes, duties, assessments or government charges; (c) shall be concerned with, or obliged or required to enquire into, the sufficiency of any amount paid by the Issuer or any Bondholder for this purpose; and (d) shall be liable for any losses as a result of any non-payment of the same by the Issuer.

## **5 Counterparts**

This Supplemental Agency 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 same copy of this Supplemental Agency Agreement.

## **6 Contracts (Rights of Third Parties) Act 1999**

A person who is not a party to this Supplemental Agency Agreement has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supplemental Agency Agreement except and to the extent (if any) that this Supplemental Agency Agreement expressly provides for such Act to apply to any of its terms. The parties to this Supplemental Agency Agreement shall have the right to amend, vary or rescind any provision of this Supplemental Agency Agreement without the consent of any such third party.

## **7 Governing Law and Jurisdiction**

- 7.1** This Supplemental Agency Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.
- 7.2** The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Supplemental Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with this Supplemental Agency Agreement ("**Proceedings**") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objections to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.
- 7.3** The Issuer irrevocably agrees to receive service of process in any Proceedings in Hong Kong at the Issuer's business address in Hong Kong, currently at 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong. Such service shall be deemed completed on delivery to such address (whether or not it is forwarded to and received by the Issuer). If for any reason the Issuer no longer has an address in Hong Kong, the Issuer irrevocably agrees to forthwith appoint a substitute process agent in Hong Kong and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing shall affect the right to serve process in any other manner permitted by law.
- 7.4** The Issuer hereby waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and irrevocably consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution

against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

**SCHEDULE 1**  
**Form of Conversion Notice**

**HK\$2,088,000,000 0.90 per cent. Convertible Bonds due 2024 convertible into ordinary  
shares of China YuHua Education Corporation Limited**

(Please read the notes overleaf before completing this Notice.)

Name: ..... Date: .....

Address: ..... Tel No:.....

\*Euroclear/Clearstream Account No.:..... Fax No:.....

(\*delete as appropriate)

Signature<sup>1</sup> :

.....

To: The Bank of New York Mellon, London Branch as Conversion Agent; Fax: +[•]; Attention:  
[•]

cc: [•]; [•]; Attention: [•]

cc: China YuHua Education Corporation Limited (the “**Issuer**”); Email: [•]

I/We, being the holders of the Bonds specified below, [hereby irrevocably elect to convert such Bonds/hereby irrevocably request that in connection with the Mandatory Conversion of the Bonds, such Bonds are converted] into fully-paid ordinary shares of the Issuer (the “**Shares**”) with a par value of HK\$0.00001 in accordance with the terms and conditions of the Bonds. Terms used in this Conversion Notice and not otherwise defined have the meanings given to them in the Paying, Conversion and Transfer Agency Agreement dated 27 December 2019 between, among others, the Issuer, The Bank of New York Mellon, London Branch as Principal Agent and Trustee and the Bank of New York Mellon SA/NV, Luxembourg Branch as registrar and transfer agent (as amended and supplemented by the supplemental agency agreement dated [•] 2023 and as further amended and/or supplemented from time to time).

**1** Total principal amount, number and identifying numbers of Bonds to be converted or subject to the Mandatory Conversion:

Total principal amount: .....

Total number of Bonds: .....

Identifying numbers of Bonds (if  
relevant)\*: .....

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<sup>1</sup> Where the Bonds to be converted are evidenced by the Global Certificate, the Conversion Notice need not be signed. In such a case, delivery of the Conversion Notice will constitute confirmation by the beneficial owner of the Bonds to be converted that the information in the Conversion Notice is true and accurate on delivery.

Conversion pursuant to Condition 6(A)(iii)  
(only in an Event of Default): .....

Identifying numbers of Certificates deposited in respect of Bonds to be converted or subject to the Mandatory Conversion (if relevant)\*: .....

N.B. If necessary, the identifying numbers of Bonds and Certificates can be attached separately.

\* Not required for Bonds represented by a Global Certificate

**2** Name(s) and address(es) of person(s) in whose name(s) the Shares required to be delivered on conversion are to be registered:

Name: .....

Address: .....

Telephone Number: .....

Fax Number: .....

**3** I/We hereby confirm that at the time of execution and deposit of this Conversion Notice, I/we have paid directly to the relevant authorities any taxes and/or capital, stamp, issue and registration and transfer taxes and duties ("**Duties**") arising on conversion (other than any Duties payable in Cayman Islands and, if relevant, in the place of the Alternative Stock Exchange, by the Issuer, in respect of the allotment and issue of Shares and listing of the Shares on the Relevant Stock Exchange on conversion).\*\*

\*\*Not required for Bonds that are subject to Mandatory Conversion

**3.1** I/We certify that the amount of Duties (if any):

**3.1.1** arising upon exercise of the Conversion Rights in the country in which such Conversion Rights are exercised, and which is payable and has been paid by me/us, is: \*\*

Amount: .....

Country in which Conversion Rights are exercised: .....

**3.1.2** payable by me/us in any jurisdiction consequent upon the issue or transfer of Shares to or to the order of a person other than the exercising Bondholder is: \*\*

Amount: .....

Country in which Duties are payable: .....

I/We hereby represent that the above payments have been made by us and we understand that you will rely on this representation. \*\*

\*\*Not required for Bonds that are subject to Mandatory Conversion

**4** I/We hereby request that [I/We be registered as holder(s) of the relevant number of Shares in the register of shareholders of the Issuer] [the Shares be delivered to, and registered in the name of the Depositary for credit to the securities account number specified below] or the certificates for the Shares (together with any cash, including any HK dollar cheque in respect of payment of any amount pursuant to Condition 6(A)(i)) required to be delivered



upon conversion, be despatched by ordinary post (at my/our risk and expense) to the person whose name, contact person, telephone numbers, fax number and address is given below and in the manner specified below:

Name: .....  
Contact Person: .....  
Address: .....  
.....  
Account Number: .....  
Account Name: .....  
Telephone Number: .....  
Fax Number: .....  
Manner of despatch: .....

The Certificate in respect of the Bonds converted hereby accompanies this Conversion Notice.\*

Name: .....  
Address: .....  
.....  
.....

\* Not required for the Global Certificate.

**5** The Issuer has notified the Conversion Agents that the Issuer's register of shareholders will be closed on the following dates:

.....  
.....

**N.B.**

- (i) This Conversion Notice will be void unless the introductory details and Sections 1 to 4 are completed, save that in respect of a Mandatory Conversion, Section 3 is not required to be completed and the Conversion Notice shall not be void if such section is not completed.
- (ii) Your attention is drawn to Condition 6(B) of the terms and conditions of the Bonds with respect to the conditions precedent which must be fulfilled before the Bonds specified above will be treated as effectively eligible for conversion.
- (iii) Despatch of share certificates or other securities or property will be made at the risk and expense of the converting Bondholder and the Bondholder will be required to submit any necessary documents required in order to effect despatch in the manner specified.
- (iv) If a retroactive adjustment contemplated by the terms and conditions of the Bonds is required in respect of a conversion of Bonds, Shares deliverable pursuant to such retroactive adjustment (together with any other securities, property or cash) will be delivered

or despatched in the same manner as the Shares or cash previously issued pursuant to the relevant Conversion Notice.

For Agent's use only:

- 1**
  - (A) Bond conversion identification reference: China YuHua Education Corporation Limited HK\$2,088,000,000 0.90 per cent. Convertible Bonds due 2024
  - (B) Date on which the Conversion Notice is deposited with (and, if applicable, Certificate is surrendered to) the Agent: .....
  - (C) Conversion Date: .....
- 2**
  - (A) Aggregate principal amount of Bonds in respect of which Certificates have been deposited for conversion:
  - (B) Conversion Price on Conversion Date:
  - (C) Number of Shares issuable:
- 3** (if applicable) amount of any cash payment due to converting Bondholder under Condition 6(A)(ii) in respect of fractions of Shares: .....

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The Conversion Agent must complete items 1, 2 and (if applicable) 3.

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

**CHINA YUHUA EDUCATION CORPORATION LIMITED**

as Issuer

By:.....

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**  
as Trustee

By:.....

**THE BANK OF NEW YORK MELLON, LONDON BRANCH**

as Principal Agent

By:.....

**THE BANK OF NEW YORK MELLON SA/NV, LUXEMBOURG BRANCH**

as Registrar and Transfer Agent

By:.....