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## **SUNCITY GROUP HOLDINGS LIMITED**

**太陽城集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1383)**

### **(I) CONNECTED TRANSACTION IN RELATION TO THE PROPOSED EXTENSION OF MATURITY DATE OF CONVERTIBLE BONDS; AND**

### **(II) EXTENSION OF MATURITY DATE OF PROMISSORY NOTE**

#### **EXTENSION OF MATURITY DATE OF THE CONVERTIBLE BONDS**

On 3 July 2020 (after trading hours of the Stock Exchange), the Company and the Bondholders entered into the Supplemental Deed to extend the maturity date of the Convertible Bonds by 24 months from 28 August 2020 to the Extended CB Maturity Date (i.e. 28 August 2022) subject to fulfilment of the Conditions Precedent.

#### **EXTENSION OF MATURITY DATE OF THE PROMISSORY NOTE**

On 3 July 2020, (after trading hours of the Stock Exchange), the Company and Star Hope entered into the Supplemental PN to extend the maturity date of the Promissory Note by 24 months from 28 August 2020 to 28 August 2022. Save for the extension of the maturity date, all other terms of the Promissory Note shall remain unchanged.

## **LISTING RULES IMPLICATIONS**

The Extension constitutes a connected transaction for the Company which is subject to the reporting, announcement, and independent shareholders' approval under Chapter 14A.

Pursuant to Rule 28.05, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alteration takes effect automatically under the existing terms of such convertible debt securities. In accordance with Rule 28.05, application will be made by the Company to the Stock Exchange for (1) the approval to the Extension; and (2) granting of the listing of, and permission to deal in, the Conversion Shares fall to be issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Supplemental Deed.

## **GENERAL**

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the Extension. The Independent Financial Adviser has been appointed by the Company as the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Extension. Mr. Chau and Mr. Lo and their respective associates shall abstain from voting on the ordinary resolution in relation to the Supplemental Deed and the transactions contemplated thereunder to be proposed at the EGM. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders are required to abstain from voting at the EGM in respect of the Supplemental Deed and the transactions contemplated thereunder. Mr. Chau and Mr. Lo have also abstained from voting in respect of the relevant Board resolution relating to the Supplemental Deed and the transactions contemplated thereunder.

A circular containing, inter alia, (i) details of Supplemental Deed; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Supplemental Deed and the transactions contemplated thereunder; (iii) a recommendation from the Independent Board Committee in relation to the Supplemental Deed and the transactions contemplated thereunder; and (iv) a notice of the EGM is expected to be despatched to the Shareholders on or before 31 July 2020 in accordance with the Listing Rules, as additional time is required to prepare the information for inclusion in the circular.

## **EXTENSION OF MATURITY DATE OF THE CONVERTIBLE BONDS**

### **Background**

As disclosed in the announcement of the Company dated 28 August 2018, the Acquisition proceeded to completion on 28 August 2018. The consideration in the amount of HK\$600 million payable by the Group for the Acquisition was satisfied by the Group (a) as to HK\$297 million by the issue of the Convertible Bonds to the Bondholders (as to HK\$177 million to Star Hope and as to HK\$120 million to Better Linkage); and (b) as to the remaining HK\$303 million by the issue of the Promissory Note to Star Hope, all of which remain outstanding as at the date of this announcement and will mature on 28 August 2020.

### **Supplemental Deed**

On 3 July 2020 (after trading hours of the Stock Exchange), the Company and the Bondholders entered into the Supplemental Deed to extend the maturity date of the Convertible Bonds by 24 months from 28 August 2020 to the Extended CB Maturity Date (i.e. 28 August 2022) subject to fulfilment of the Conditions Precedent.

Star Hope is a connected person of the Company for being an associate of a connected person of the Company. Please refer to “Information on Star Hope and Better Linkage” below in this announcement for further information.

Better Linkage is a connected person of the Company for being an associate of a connected person of the Company. Please refer to “Information on Star Hope and Better Linkage” below in this announcement for further information.

### **Conditions Precedent**

The Supplemental Deed will only become effective upon all the following conditions having been fulfilled:

- (i) the Stock Exchange having approved the Extension as contemplated by the Supplemental Deed;
- (ii) the Stock Exchange granting its approval for the listing of, and permission to deal in, the Conversion Shares fall to be issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Supplemental Deed;

- (iii) the approval of the Independent Shareholders to the Supplemental Deed and the transactions contemplated thereunder at the EGM of the Company to be held and convened; and
- (iv) the obtaining by the Company of all other necessary consents and approvals as may be required under the Listing Rules or by the Stock Exchange in respect of the Supplemental Deed and the transactions contemplated thereunder.

If any of the Conditions Precedent shall not have been fulfilled by 28 August 2020 or such later date as the parties to the Supplemental Deed may agree, the Supplemental Deed shall lapse and the parties thereto shall release each other from all obligations thereunder save for claim (if any) in respect of any antecedent breach thereof.

### **Principal terms of the Convertible Bonds immediately after the Extension**

All the terms of the Convertible Bonds shall remain unchanged and in full force save and except as revised by the Extension. The principal terms of the Convertible Bonds as disclosed in the Acquisition Announcement and the Acquisition Circular are repeated below (with only the Maturity Date having been revised to the Extended CB Maturity Date):

Issuer	:	the Company
Principal Amount	:	an aggregate principal amount of HK\$297,000,000
Denomination	:	the Convertible Bonds shall be issued in authorised denomination of HK\$3,000,000 each and integral multiples thereof
Interest rate	:	the Convertible Bonds shall not bear any interest
Maturity date:	:	28 August 2022, or if such date is not a Business Day, the next Business Day
Redemption	:	Any amount of the Convertible Bonds which remains outstanding on the Extended CB Maturity Date shall be redeemed at its then outstanding principal amount.

The Company may at any time before the Extended CB Maturity Date by serving at least ten (10) days' prior written notice to the holder(s) of the Convertible Bonds with the total amount proposed to be redeemed from the holder(s) of the Convertible Bonds specified therein, redeem the Convertible Bonds (in whole or in part (in authorised denominations)) at 100% of the principal amount of such Convertible Bonds.

Any amount of the Convertible Bonds which is redeemed or converted will forthwith be cancelled.

Certificate in respect of the Convertible Bonds cancelled will be forwarded to or to the order of the Company and such Convertible Bonds may not be reissued or resold.

- Conversion period : Provided that any conversion of the Convertible Bonds does not result in the public float of the Shares being less than 25% (or any given percentage as required by the Listing Rules) of the issued Shares of the Company, the holder(s) of the Convertible Bonds shall, subject to compliance with the procedures set out in the terms and conditions of the Convertible Bonds, have the right at any time during the period commencing from the date of issue of the Convertible Bonds up to 4:00 p.m. (Hong Kong time) on the Extended CB Maturity Date to convert the whole or part (in authorised denominations) of the outstanding principal amount of Convertible Bonds registered in its name into Shares at the Conversion Price.
- Conversion Price : The initial Conversion Price is HK\$0.90 per Conversion Share (subject to adjustments).

Adjustment to the Conversion Price : The initial Conversion Price is subject to customary anti-dilution adjustment(s) contained in the terms of the Convertible Bonds upon the occurrence of any of the following events:

(i) consolidation or subdivision of Shares; (ii) issue of Shares by way of capitalisation of profits or reserves other than an issue of Shares paid up out of profits or reserves and issued in lieu of the whole or part of a specifically declared cash dividend; (iii) distributions in cash or specie; (iv) rights issues or grant of options or warrants to subscribe for new Shares at a price which is less than 90% of the market price (being the average of the closing prices of one Share on the Stock Exchange for each of the last five (5) Stock Exchange dealing days on which dealings in the Shares on the Stock Exchange took place ending on the last such dealing day preceding the day on or as of which the market price is to be ascertained) (the “**market price**”) on the date of the announcement of the terms of the offer or grant; (v) issue wholly for cash any securities which are convertible into or exchangeable for or carry rights of subscription for new Shares at an initial total effective consideration per Share of less than 90% of the market price of the Shares on the date of the announcement of the terms of such securities; (vi) issue wholly for cash any Shares at an effective price per Share which is less than 90% of the market price of the Shares; (vii) issue Shares for the acquisition of asset at an effective consideration per Share which is less than 90% of the market price of the Shares at the date of announcement of the terms of such issue; or (viii) issue of Shares by way of capitalisation of profits or reserves other than an issue of shares paid up out of profits or reserves issued in lieu of the whole or part of a relevant cash dividend, being a scrip dividend scheme where the market value of such Shares is not more than 110% of the amount of dividend which Shareholders could select to or would otherwise receive in cash.

- Ranking of the Conversion Shares : The Conversion Shares issued upon conversion of the Convertible Bonds will in all respects rank pari passu with the Shares in issue on the date of allotment and issue of such Conversion Shares and accordingly shall be entitled to participate in all dividends or other distributions declared, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant conversion date.
- Voting : The holder(s) of the Convertible Bonds shall not be entitled to attend or vote at any meeting of the Company by reason only it/them being the holder(s) of the Convertible Bonds.
- Transferability : The holder(s) of the Convertible Bonds may freely assign or transfer the Convertible Bonds to the transferee (who is not a restricted holder) subject to not less than five (5) Business Days' prior notification to the Company. The Convertible Bonds may not be assigned or transferred, in whole or in part, to any connected person of the Company, save for (i) Mr. Chau and his associates, and (ii) Mr. Lo and his associates, without prior written consent of the Company. The Convertible Bonds may be assigned or transferred in whole or in part (in authorised denominations) of its outstanding principal amount and the Company shall facilitate any such assignment or transfer of the Convertible Bond, including making any necessary applications to the Stock Exchange for the said approval (if required).

Notwithstanding the above, the holder(s) of the Convertible Bonds shall be permitted at any time to transfer the Convertible Bonds to a transferee who is a wholly-owned subsidiary of such holder(s) of the Convertible Bonds or a holding company of such holder(s) of the Convertible Bonds who owns the entire issued share capital of such holder(s) of the Convertible Bonds provided that the Convertible Bonds will be re-transferred to such holder(s) of the Convertible Bonds immediately upon the transferee ceasing to be a wholly-owned subsidiary of such holder(s) of the Convertible Bonds or a holding company of the holder(s) of the Convertible Bonds who owns the entire issued share capital of such holder(s) of the Convertible Bonds.

Listing : No application will be made for the listing of the Convertible Bonds on the Stock Exchange or any other stock or securities exchange.

Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.

Event of default : If any of the events of default set out in the terms and conditions of the Convertible Bonds occurs, the Company shall within ten (10) days of such event occurring give notice to the holder(s) of the Convertible Bonds.

Within ten (10) days after the Company despatches the notice, the holder(s) of the Convertible Bonds may give notice to the Company that the Convertible Bonds are immediately due and payable, whereupon they shall become immediately due and payable.

## **Conversion Shares**

As at the date of this announcement:

- (1) no Conversion Share has ever been allotted and issued under the Convertible Bonds;
- (2) the Conversion Price (which is subject to adjustments) remains at HK\$0.90 per Conversion Share;
- (3) the Convertible Bonds remain convertible to a maximum of 330,000,000 Conversion Shares on the basis of an aggregate principal amount of HK\$297,000,000 to be converted at the initial Conversion Price of HK\$0.90 per Conversion Share (subject to adjustments) and assuming that there being no change to the share capital and shareholdings structure of the Company save for the allotment and issue of the Conversion Shares under the Convertible Bonds, the 330,000,000 Conversion Shares issuable upon full conversion of the Convertible Bonds represent:
  - (i) approximately 4.95% of the existing issued share capital of the Company as at the date of this announcement; and
  - (ii) approximately 4.72% of the issued share capital of the Company as enlarged by the issue of the 330,000,000 Conversion Shares.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there being no change in the share capital and shareholding structure of the Company from the date of this announcement other than the allotment and issue of the Conversion Shares issuable under the Convertible Bonds, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds is as follows:

	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds (at the initial Conversion Price)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Mr. Chau and his associates				
Fame Select Limited ("Fame Select")	4,991,643,335 (note 1)	74.87	4,991,643,335	71.34
Star Hope	–	–	196,666,666 (note 2)	2.81
Mr. Lo and his associates				
Mr. Lo	1,230,000 (note 3)	0.02	1,230,000	0.02
Ever Smart Capital Limited ("Ever Smart")	4,520,000 (note 4)	0.06	4,520,000	0.06
Better Linkage	1,250,000 (note 5)	0.02	134,583,333 (note 6)	1.92
Mr. Au Chung On John and his associate	400,000 (note 7)	0.01	400,000	0.01
Mr. Manuel Assis Da Silva and his associate	810,000 (note 8)	0.01	810,000	0.01
<b>Sub-total</b>	<b>4,999,853,335</b>	<b>74.99</b>	<b>5,329,853,334</b>	<b>76.17</b>
Public shareholders	<u>1,667,119,411</u>	<u>25.01</u>	<u>1,667,119,411</u>	<u>23.83</u>
<b>Total</b>	<b><u><u>6,666,972,746</u></u></b>	<b><u><u>100.00</u></u></b>	<b><u><u>6,996,972,745</u></u></b>	<b><u><u>100.00</u></u></b>

*Notes:*

1. These Shares are held by Fame Select. Mr. Chau has 50% interests in Fame Select and is deemed to be interested these Shares held by Fame Select under the SFO.
2. These Shares represent the maximum of 196,666,666 Conversion Shares issuable to Star Hope upon full conversion of the Convertible Bonds held by Star Hope in the aggregate principal amount of HK\$177,000,000 together with those held by Better Linkage at the initial Conversion Price of HK\$0.90 (subject to adjustments). Mr. Chau has 100% interests in Star Hope and is deemed to be interested in these Shares held by Star Hope upon their issuance under the SFO.
3. These Shares are held by Mr. Lo as beneficial owner.
4. These Shares are held by Ever Smart. Mr. Lo has 100% interests in Ever Smart and is deemed to be interested in these Shares held by Ever Smart under the SFO.
5. These Shares are held by Better Linkage. Mr. Lo has 100% interests in Better Linkage and is deemed to be interested in these Shares held by Better Linkage under the SFO.
6. These Shares represent (a) the 1,250,000 Shares held by Better Linkage; and (b) the maximum of 133,333,333 Conversion Shares issuable to Better Linkage upon full conversion of the Convertible Bonds held by Better Linkage in the aggregate principal amount of HK\$120,000,000 together with those held by Star Hope at the initial Conversion Price of HK\$0.90 (subject to adjustments). Mr. Lo has 100% interests in Better Linkage and is deemed to be interested in these Shares held by Better Linkage upon their issuance under the SFO.
7. These Shares are held by the spouse of Mr. Au Chung On John, an executive Director. Mr. Au Chung On John is deemed to be interested in these Shares held by his spouse under the SFO.
8. These Shares represent (a) 290,000 Shares held by Mr. Manuel Assis Da Silva, an executive Director; and (b) 520,000 Shares held by his spouse, Ms. Rosa Laura Gomes Silva. Mr. Manuel Assis Da Silva is deemed to be interested all Shares held by his spouse and vice versa under the SFO.

**FUNDS RAISED ON ISSUE OF EQUITY SECURITIES IN THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund raising activities during the past 12 months immediately preceding the date of this announcement.

## REASONS AND BENEFITS FOR THE PROPOSED EXTENSION

As at the date of this announcement:

- (1) Mr. Chau is interested in 4,991,643,335 Shares (through Fame Select, a company in which Mr. Chau has 50% interest), representing approximately 74.87% of the existing issued share capital of the Company. In the event of full conversion of the Convertible Bonds held by Star Hope in the aggregate principal amount of HK\$177,000,000 together with those held by Better Linkage, 196,666,666 Conversion Shares will be issuable to Star Hope and Mr. Chau will become interested in an aggregate of 5,188,310,001 Shares representing approximately 74.15% of the enlarged issued share capital of the Company;
- (2) Mr. Lo is interested in 5,770,000 Shares (through Better Linkage and Ever Smart, companies wholly and beneficially owned by Mr. Lo) and 1,230,000 Shares as beneficial owner, representing approximately 0.10% of the existing issued share capital of the Company. In the event of full conversion of the Convertible Bonds held by Better Linkage in the aggregate principal amount of HK\$120,000,000 together with those held by Star Hope, 133,333,333 Conversion Shares will be issuable to Better Linkage and Mr. Lo will become interested in an aggregate of 140,333,333 Shares representing approximately 2.00% of the enlarged issued share capital of the Company;
- (3) Mr. Chau, Mr. Lo, Mr. Au Chung On John and Mr. Manuel Assis Da Silva and their respective associates are interested in an aggregate of 4,999,853,335 Shares, representing approximately 74.99% of the existing issued share capital of the Company.

Full or partial conversion of the Convertible Bonds on 28 August 2020 in the absence of the of the Extension will end up with less than 25% of the Company's issued share capital being held by the public as that required by Rule 8.08. The Board is of the view that the Extension is necessary.

Based on the annual report of the Company for the year ended 31 December 2019, the Group has recorded net liabilities as at 31 December 2019. In view of the further capital requirements for the business operations, investments and development of the Group, the Extension will enable the Group to postpone a substantial cash outflow and allow the Group to have reasonable time to improve its business performance and financial position.

The Extension will also allow the Group to have more financial flexibility in the deployment of its working capital for its business operations and development. In light of the zero coupon rate of the Convertible Bonds, the Directors consider it in the interests of the Company and the Independent Shareholders as a whole to utilise its resources for business development and other business opportunities in order to maximise returns to the Shareholders. The Extension will allow the Group to have additional time to develop its business instead of repayment of the Convertible Bonds within a relatively short period.

The Board (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the Independent Financial Adviser) considers that the terms and conditions of the Supplemental Deed are fair and reasonable and the Extension is in the interests of the Company and the Shareholders as a whole.

### **EXTENSION OF MATURITY DATE OF PROMISSORY NOTE**

On 3 July 2020, (after trading hours of the Stock Exchange), the Company and Star Hope entered into the Supplemental PN to extend the maturity date of the Promissory Note by 24 months from 28 August 2020 to 28 August 2022. Save for the extension of the maturity date, all other terms of the Promissory Note shall remain unchanged.

### **INFORMATION ON THE GROUP**

The Group is principally engaged in (i) property development in Guangdong and Anhui Provinces in the PRC; (ii) property leasing in Shenzhen in the PRC; (iii) provision of hotel and integrated resort general consultancy service in Vietnam; and (iv) provision of travel related products and service. The Group has been expanding and seeking opportunities to expand its tourism-related business, in particular, investment in integrated resort and provision of hotel and integrated resort general consultancy services in the South East Asia region, including Vietnam and Korea.

### **INFORMATION ON STAR HOPE AND BETTER LINKAGE**

Star Hope is a company incorporated in BVI with limited liability, and is an investment holding company. Star Hope is owned as to 100% by Mr. Chau, the Chairman of the Company, an executive Director, and a controlling shareholder of the Company. Star Hope is a connected person of the Company for being an associate of a connected person of the Company.

Better Linkage is a company incorporated in BVI with limited liability, and is an investment holding company. Better Linkage is owned as to 100% by Mr. Lo, an executive Director. Better Linkage is a connected person of the Company for being an associate of a connected person of the Company.

## **LISTING RULES IMPLICATIONS**

The Extension constitutes a connected transaction for the Company which is subject to the reporting, announcement, and Independent Shareholders' approval under Chapter 14A.

Pursuant to Rule 28.05, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alteration takes effect automatically under the existing terms of such convertible debt securities. In accordance with Rule 28.05, application will be made by the Company to the Stock Exchange for (1) the approval to the Extension; and (2) granting of the listing of, and permission to deal in, the Conversion Shares fall to be issued upon exercise of the conversion rights attached to the Convertible Bonds as amended and supplemented by the Supplemental Deed.

## **GENERAL**

The Independent Board Committee has been established to give recommendations to the Independent Shareholders on the Extension. The Independent Financial Adviser has been appointed by the Company as the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Extension. Mr. Chau and Mr. Lo and their respective associates shall abstain from voting on the ordinary resolution in relation to the Supplemental Deed and the transactions contemplated thereunder to be proposed at the EGM. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders are required to abstain from voting at the EGM in respect of the Supplemental Deed and the transactions contemplated thereunder. Mr. Chau and Mr. Lo have also abstained from voting in respect of the relevant Board resolution relating to the Supplemental Deed and the transactions contemplated thereunder.

A circular containing, inter alia, (i) details of Supplemental Deed; (ii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Supplemental Deed and the transactions contemplated thereunder; (iii) a recommendation from the Independent Board Committee in relation to the Supplemental Deed and the transactions contemplated thereunder; and (iv) a notice of the EGM is expected to be despatched to the Shareholders on or before 31 July 2020 in accordance with the Listing Rules, as additional time is required to prepare the information for inclusion in the circular.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the acquisition of the entire equity interest in and shareholder’s loan to Star Admiral Limited, which in turn is holding a direct 50% equity interest in Gold Yield Enterprises Limited (which in turn owns approximately 68.09% interest in an integrated resort development project located in Hoi An South, Quang Nam Province, Vietnam)
“Acquisition Announcement”	the announcement of the Company dated 27 July 2017 in relation to the Acquisition
“Acquisition Circular”	the circular of the Company dated 1 November 2017 in relation to the Acquisition
“associate”	has the meaning ascribed to it under the Listing Rules
“Better Linkage”	Better Linkage Limited, a company incorporated in BVI with limited liability and wholly-owned by Mr. Lo
“Board”	the board of Directors
“Bondholders”	collectively, Star Hope and Better Linkage
“Business Day”	a day on which licensed banks in Hong Kong are generally open for business and on which the Stock Exchange is open for normal trading, other than a Saturday or a Sunday or a public holiday or a day on which a “black” rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“BVI”	the British Virgin Islands
“Company”	Suncity Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability with its issued Shares listed on the Main Board of the Stock Exchange (stock code: 1383)

“Conditions Precedent”	the conditions precedent to the Supplemental Deed as set out in “Extension of maturity date of the Convertible Bonds – Conditions Precedent” in this announcement
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Conversion Price”	the initial conversion price of HK\$0.90 per Conversion Share, subject to adjustments
“Conversion Shares”	new Shares to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the zero coupon convertible bonds in the aggregate principal amount of HK\$297,000,000 issued by the Company to the Bondholders
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at which resolution(s) will be proposed to consider, and, if thought fit, to approve, among other things, in respect of the Extension
“Extended CB Maturity Date”	28 August 2022
“Extension”	the proposed extension of the maturity date of the Convertible Bonds from 28 August 2020 to the Extended CB Maturity Date (i.e. 28 August 2022)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee, comprising all the independent non-executive Directors, namely Mr. Tou Kin Chuen, Dr. Wu Kam Fun Roderick and Mr. Lo Wai Tung John, which has been established to make recommendations to the Independent Shareholders in respect of the Extension

“Independent Financial Adviser”	Astrum Capital Management Limited, a corporation licensed by the SFC to carry Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, being the independent financial adviser appointed by the Company with the approval of the Independent Board Committee for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the Supplemental Deed and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than Mr. Chau and Mr. Lo and their respective associates
“Listing Committee”	has the same meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chau”	Mr. Chau Cheok Wa, the Chairman of the Company, an executive Director and a controlling shareholder of the Company
“Mr. Lo”	Mr. Lo Kai Bong, an executive Director
“PRC”	The People’s Republic of China (excluding Hong Kong, Macau Special Administration Region and Taiwan)
“Promissory Note”	the 2% promissory note in the principal amount of HK\$303,000,000 issued by the Company to Star Hope
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder”	the holder of any one or more Shares
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company

“Star Hope”	Star Hope Limited, a company incorporated in BVI with limited liability and wholly-owned by Mr. Chau
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Deed”	the supplemental deed entered into by the Company and the Bondholders on 3 July 2020 to extend the maturity date of the Convertible Bonds from 28 August 2020 to the Extended CB Maturity Date
“Supplemental PN”	the supplemental promissory note entered into by the Company and Star Hope on 3 July 2020 to extend the maturity date of the Promissory Note by 24 months from 28 August 2020 to 28 August 2022
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Suncity Group Holdings Limited**  
**Chau Cheok Wa**  
*Chairman*

Hong Kong, 3 July 2020

*As at the date of this announcement, the executive Directors are Mr. Chau Cheok Wa, Mr. Lo Kai Bong, Mr. Au Chung On John and Mr. Manuel Assis Da Silva; and the independent non-executive Directors are Mr. Tou Kin Chuen, Dr. Wu Kam Fun Roderick and Mr. Lo Wai Tung John.*