

Dated 24 January 2021

CHINA MENGNIU DAIRY COMPANY LIMITED

and

BOCI ASIA LIMITED

PLACING AGENCY AGREEMENT

relating to

up to the Hong Kong dollar equivalent of RMB4,000,000,000 Fixed Rate Convertible Bonds due 2026
convertible into ordinary shares of China Mengniu Dairy Company Limited (Stock code: 2319.HK)

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This Agreement is made on 24 January 2021, **between:**

- (1) CHINA MENGNIU DAIRY COMPANY LIMITED** as the issuer (the “**Issuer**”); and
- (2) BOCI ASIA LIMITED** (the “**Placing Agent**”).

The Issuer and the Placing Agent wish to record the arrangements agreed between them in relation to an issue of up to the Hong Kong dollar equivalent of RMB4,000,000,000 Fixed Rate Convertible Bonds due 2026 (the “**Bonds**”, which expression shall, where the context so admits, include Bonds evidenced by a global certificate (the “**Global Certificate**”) representing the Bonds) which will be convertible into fully paid ordinary shares (the “**Shares**”) of the Issuer (Stock code: 2319.HK). The Bonds will be in registered form in denominations of HK\$10,000 and integral multiples of HK\$10,000 in excess thereof. The Bonds will be convertible at the option of the holder thereof into fully paid ordinary shares with a nominal value of HK\$0.10 each of the Issuer (the “**New Shares**”) at an initial conversion price of HK\$34.73 per Share (the “**Initial Conversion Price**”), subject to the adjustments referred to in Clause 1.6 and Condition 6(c) of the Terms and Conditions.

The Bonds are being offered and sold in an offering on a private placement basis (the “**Placement**”) outside the United States in reliance on Regulation S (“**Regulation S**”) under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”).

The Issuer wishes to issue the Bonds as part and for the purpose of a proposed employee incentive scheme (“**Employee Incentive Scheme**”), the details of which will be set out in the Pricing Announcement (as defined below) and the Circular (as defined below).

1 Issue of the Bonds and Publicity

- 1.1 Agreement to Issue the Bonds:** The Issuer agrees to issue the Bonds, on a date not later than the earlier of (i) 90 business days after the extraordinary general meeting of the shareholders of the Issuer to be convened in respect of the Specific Mandate (as defined in Clause 6.1.4) and (ii) 31 July 2021, or on such later date as the Issuer and the Placing Agent may agree (the “**Closing Date**”), through the Placing Agent as placement agent to institutional investors subscribing the Bonds. The Issuer has appointed the Placing Agent as the settlement agent in respect of the Placement (the “**Settlement Agent**”). The Placing Agent will, subject to Clause 2.1, use its best efforts to procure subscribers to subscribe and pay for the Bonds at an issue price equal to 100 per cent. of the principal amount of the Bonds (the “**Issue Price**”) subject to the adjustments referred to in Clause 8.
- 1.2 The Contracts:** The Issuer will, not later than the Closing Date, enter into (and provide the Placing Agent with a copy of) (1) a trust deed (the “**Trust Deed**”) with a trustee to be appointed and (2) an agency agreement (the “**Agency Agreement**”) in respect of the Bonds with a principal paying, transfer and exchange agent and registrar to be appointed, each substantially in such form as shall be agreed between the parties thereto. The Bonds will be issued in accordance with the terms of the Trust Deed and will be in the respective forms set out in its schedules. This Agreement, the Trust Deed and the Agency Agreement are together referred to as the “**Contracts**”.
- 1.3 Offering Circular:** The Issuer undertakes to prepare an Offering Circular (the “**Offering Circular**”) to be dated not later than three business days prior to the Closing Date or such other date as may be agreed between the Issuer and the Placing Agent (the “**Publication Date**”) for use in connection with the issue of the Bonds and the listing of the Bonds on the Stock Exchange (as defined hereunder) and hereby authorises the Placing Agent and its

affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act (“**Regulation D**”)) to distribute copies thereof in connection with the offering and sale of the Bonds. For the purposes of this Clause 1, “**business day**” means a day on which banks are open for business in London, New York City and Hong Kong.

- 1.4 Publicity:** The Issuer confirms the arrangements made on its behalf by the Placing Agent for announcements in respect of the Bonds to be published on such dates and in such publications as it may agree with the Placing Agent.
- 1.5 Conditions:** The terms and conditions of the Bonds (the “**Terms and Conditions**”) shall be in the form set out in Schedule 1 to this Agreement (such form, the “**Form of Ts&Cs**”), with such changes as may be agreed between the Issuer and the Placing Agent, including any changes required to be made pursuant to Clause 1.6, provided that, other than conditions 4, 10 and 18 of the Terms and Conditions, the other provisions of the Terms and Conditions as set out in Schedule 1 shall not be subject to any changes, save in the case of any changes which are of a formal, minor or technical nature, to correct a manifest error, to comply with any mandatory provisions of applicable law or which are for the purposes of alignment with the announcements or circulars published or to be published by the Issuer in connection with the Bonds including the Pricing Announcement (as defined below) or the Circular (as defined below).
- 1.6 Conversion Price:** If the Average Market Price (as defined below) of the Shares on the date falling on the third Trading Day immediately prior to the Closing Date (the “**Reset Date**”) is less than HK\$43.41, the Initial Conversion Price will be adjusted on the Reset Date in accordance with the below formula:

$$\text{Adjusted Conversion Price} = \text{Average Market Price} \times 0.8$$

where:

“**Closing Price**” of the Shares for any Trading Day shall be the price published in the Daily Quotation Sheet published by the Stock Exchange for such day;

“**Average Market Price**” means, in respect of a Share on a particular date, the average of the Closing Prices for one Share for the 60 consecutive Trading Days ending on the Trading Day immediately preceding such date.

“**Trading Day**” means a day when the Stock Exchange is open for the business of dealing in securities, provided that if no Closing Price 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 existed when ascertaining any period of dealing days.

Such Adjusted Conversion Price shall be rounded upwards, if necessary, to the nearest Hong Kong cent, provided that:

- (a) any such adjustment to the Initial Conversion Price shall be limited such that the Adjusted Conversion Price shall in no event be less than HK\$32.80;
- (b) the Initial Conversion Price shall not be reduced below the nominal value of the Shares unless under applicable law then in effect the Bonds could be exchanged at such reduced Adjusted Conversion Price into legally issued, fully-paid and non-assessable Shares; and
- (c) any such adjustment to the Initial Conversion Price shall only be a downward adjustment.

Any such adjustments shall become effective as of the Reset Date and the Adjusted Conversion Price will be reflected in the final Terms and Conditions which will be set out in the Offering Circular and the schedule of the Trust Deed.

1.7 Other terms of the Terms and Conditions: The following terms shall be determined by the Issuer and the Placing Agent prior to the Closing Date in accordance with the provisions below, and consequential amendments shall be made to the final Terms and Conditions which will be set out in the Offering Circular and the schedule of the Trust Deed:

1.7.1 the Bonds will bear interest on their outstanding principal amount at a rate equal to a figure of not less than 2 and not more than 4 per cent. per annum;

1.7.2 the Reference Bond shall reference a publicly traded debt security issued by the Issuer, denominated in U.S. dollars, ranking *pari passu* with the Bonds and which accrues interest at a fixed rate;

1.7.3 a Relevant Event shall occur if:

(i) the Current Market Price of a Share is, on any date of determination, less than a figure which is between 30 per cent. to 60 per cent. of the Reference Share Price;

(ii) the Quote for the Reference Bond is, on any date of determination, less than a figure which is between 60 per cent. to 85 per cent. of an amount equal to 100 per cent. of the minimum denomination of principal amount of the Reference Bond; and

1.7.4 the Relevant Event Redemption Date shall be the 14th day after the expiry of a period of not less than 15 days and not more than 20 days;

and each capitalised term used in this Clause 1.7 shall have the meanings given to it in the Form of Ts&Cs.

1.8 Principal Amount: The principal amount of the Bonds will be of an amount not exceeding the Hong Kong dollar equivalent of RMB4,000,000,000, translated into Hong Kong dollars at the Relevant Exchange Rate, to be agreed between the Issuer and the Placing Agent prior to the Closing Date. The agreed principal amount of the Bonds will be reflected in the final Terms and Conditions which will be set out in the Offering Circular and the schedule of the Trust Deed.

For the purposes of this Clause, “**Relevant Exchange Rate**” means the exchange rate of Renminbi to Hong Kong dollars as published by the People’s Bank of China, on the date the principal amount of the Bonds is agreed between the Issuer and the Placing Agent, or such other date as the Issuer and the Placing Agent may agree.

2 Agreement by the Placing Agent

2.1 Placing: The Placing Agent agrees to use its best efforts to procure subscribers to subscribe and pay for, the Bonds in the aggregate principal amount of up to the Hong Kong dollar equivalent of RMB4,000,000,000 to be determined in accordance with Clause 1.8, at the Issue Price less the deductions referred to in Clause 8 on the Closing Date on the terms of this Agreement. The Issuer acknowledges and agrees that the engagement of the Placing Agent under this Agreement is not an agreement by it or any of its affiliates to underwrite, subscribe or purchase any securities or otherwise provide any financing. The

Placing Agent shall not be under any obligation to purchase the Bonds if subscribers are not procured for any or all of the Bonds. For the avoidance of doubt, the Issuer hereby acknowledges that the Placing Agent is not underwriting the Placement and, in no circumstances shall the Placing Agent be required to purchase the Bonds as principal.

- 2.2 Restrictions:** The Placing Agent warrants and agrees that it has complied and will comply with the terms set forth in Schedule 2.

3 Listing

- 3.1 Application for Listing:** The Issuer confirms that it will, in accordance with the terms of this Agreement, make or cause to be made an application for the Bonds to be listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Issuer confirms that it will, in accordance with the terms of this Agreement, make or cause to be made an application for the New Shares to be issued on conversion of the Bonds to be listed on the Stock Exchange.

- 3.2 Supply of Information:** The Issuer agrees to deliver to the Stock Exchange copies of the Offering Circular and to take such other steps as may be reasonably required for the purpose of obtaining an approval of listing of the Bonds on the Stock Exchange on or prior to the Closing Date, provided that if such listing has not been obtained by the Closing Date, the Issuer agrees that it shall use its reasonable endeavours to obtain a listing of the Bonds on the Stock Exchange or such other stock exchange mutually acceptable to the Placing Agent and the Issuer as soon as practicable following the Closing Date, which shall include the preparation of listing particulars based on the Offering Circular and containing the relevant information required by the relevant stock exchange to obtain such listing.

- 3.3 Maintenance of Bond Listing:** The Issuer will use its reasonable endeavours to obtain and maintain a listing of the Bonds for as long as any Bond is outstanding and pay all fees and supply any and all documents, information and undertakings and publish all announcements or other material that may be necessary or advisable for such purpose. If, however, it is unable to maintain such listing, having used such endeavours, or if the maintenance of such listing is unduly onerous (in the opinion of the Issuer acting reasonably), the Issuer will instead use its best endeavours promptly to obtain and thereafter to maintain a listing for the Bonds on such other stock exchange, as is commonly used for the quotation or listing of debt securities, prior to the Closing Date as it may (with the approval of the Placing Agent which approval shall not be unreasonably withheld or delayed) decide or, failing such decision, as the Placing Agent may reasonably determine and after the Closing Date in accordance with the terms of the Trust Deed.

- 3.4 Share Listing:** The Issuer will use its reasonable endeavours to maintain the listing of the Shares on the Stock Exchange, and to pay all fees and supply any and all documents, information and undertakings and publish all announcements or other material that may be necessary or advisable for such purpose. If, however, it is unable to maintain such listing, having used such endeavours, the Issuer will instead use its best endeavours promptly to obtain and thereafter to maintain a listing for the Shares on such other stock exchange as it may decide.

4 Representations, Warranties and Indemnity

- 4.1 Warranties:** The Issuer represents and warrants to and where (applicable) agrees with, the Placing Agent that:

- 4.1.1 Incorporation:** the Issuer and its subsidiaries is (a) a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation, (b) is in compliance with all laws and regulations to which it is subject, (c) is not in liquidation or receivership, (d) is not subject to any winding-up proceedings, (e) has full power and authority to own its properties and to conduct its business and is lawfully qualified to do business in those jurisdictions in which business is conducted by it except in the case of (b) and (e) above only, as would not, individually or in the aggregate have a material adverse effect on the condition (financial or otherwise), prospects, results of operations, general affairs or properties of the Issuer and its subsidiaries (the “**Group**”) taken as a whole, or would materially and adversely affect the ability of the Issuer to perform its obligations under the Contracts or the Bonds, or which are otherwise material and adverse in the context of the issue, offering and distribution of the Bonds (a “**Material Adverse Effect**”);
- 4.1.2 Validity of Contracts:** the Issuer has full power and authority to enter into and perform its obligations under the Bonds and the Contracts, and this Agreement has been duly authorised, executed and delivered by the Issuer and constitutes, and the other Contracts have been duly authorised by the Issuer and upon execution and delivery prior to or on the Closing Date will constitute, valid and legally binding obligations of the Issuer, subject to applicable bankruptcy, insolvency or similar laws affecting creditors’ rights generally and general principles of equity;
- 4.1.3 Validity:** the Bonds have been duly authorised by the Issuer and, when duly executed, authenticated, issued and delivered in accordance with the other Contracts, the Bonds will constitute valid and legally binding obligations of the Issuer, enforceable in accordance with their terms subject to applicable bankruptcy, insolvency or similar laws affecting creditors’ rights generally and general principles of equity;
- 4.1.4 Status:** the Bonds (when issued) will constitute direct, unconditional, unsubordinated and (subject to the Terms and Conditions) unsecured obligations of the Issuer and will at all times rank *pari passu* without any preference or priority among themselves and the payment obligations of the Issuer under the Bonds will, save for such exceptions as may be provided by applicable law and subject to the Terms and Conditions, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations;
- 4.1.5 Authorised Share Capital:** the Issuer has or, prior to the Closing Date will have, sufficient authorised but unissued share capital to satisfy the issue of such number of New Shares as would be required to be issued on conversion of all the Bonds at the initial conversion price and shall maintain at all times sufficient authorised but unissued share capital to satisfy the issue of sufficient New Shares at the prevailing conversion price of the Bonds;
- 4.1.6 New Shares:** the New Shares, when issued and delivered in the manner contemplated by the Bonds and the Trust Deed:
- (i) will have been duly and validly transferred, fully-paid and non-assessable;
 - (ii) will conform to the description thereof as will be contained in the Offering Circular;

- (iii) will rank *pari passu* and carry the same rights and privileges in all respects as any other class of ordinary share capital of the Issuer and shall be entitled to all dividends and other distributions declared, paid or made thereon; and
- (iv) will be freely transferable, free and clear of all liens, charges, encumbrances, security interests or claims of third parties and will not be subject to calls for further funds.

4.1.7 Pre-emptive Rights and Options:

- (i) the issue of the New Shares will not be subject to any pre-emptive or similar rights;
- (ii) save as set out in paragraph (iv) of this clause below, there are no outstanding securities issued by the Issuer or its subsidiaries convertible into or exchangeable for the Shares, or warrants, rights or options, or agreements to grant warrants, rights or options, to purchase or to subscribe for Shares from the Issuer or its subsidiaries;
- (iii) there are no other or similar arrangements approved by the board of directors of the Issuer ("**Board of Directors**"), or a general meeting of shareholders of the Issuer providing for the issue or purchase of Shares or the subscription for Shares other than (a) the general mandates granted to the Board of Directors in the general meeting of the Issuer, and (b) the Specific Mandate to be obtained to allot, issue and deal with the New Shares to be issued on conversion of the Bonds in accordance with Clause 6.1.4; and
- (iv) no unissued share capital of the Issuer is under option or agreed conditionally or unconditionally to be put under option, save for the share option schemes and restricted share award schemes of the Issuer as disclosed in the Issuer's annual report for the year ended 31 December 2019 published by the Issuer on the website of the Stock Exchange on 28 April 2020;

4.1.8 Restrictions: there are no restrictions on transfers of the Bonds or the voting or transfer of any of the Shares or payments of dividends with respect to the Shares under Hong Kong laws or regulations, or pursuant to the Issuer's constitutional documents, or pursuant to any agreement (other than the regulations relating to the transfers of the Bonds as described in the Terms and Conditions) or other instrument to which the Issuer is a party or by which it may be bound;

4.1.9 Capitalisation: the Issuer has authorised capitalisation as will be set forth in the Offering Circular; and all the outstanding shares of capital stock or other equity interests of each subsidiary of the Issuer have been duly and validly authorised and issued, are fully paid and non-assessable, and all such equity interests are owned directly or indirectly by the Issuer, free and clear of all liens, charges, encumbrances, security interests, restrictions on voting or transfer or claims of any third party, except for any failure to comply with the above would not, individually or in aggregate, have a Material Adverse Effect;

4.1.10 Listing: all of the currently issued Shares have been duly listed on the Stock Exchange;

- 4.1.11 Laws and Listing Rules:** the Issuer is in compliance with and will comply with all applicable laws and the applicable requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and other rules of the Stock Exchange with respect to the Shares and the Issuer will comply with all applicable laws in connection with the issue, offering and sale of the Bonds;
- 4.1.12 Consents:** no action or thing is required to be taken, fulfilled or done (including without limitation the obtaining of any consent or licence or the making of any filing or registration) for the issue of the Bonds, the issue of the New Shares on conversion of the Bonds, the carrying out of the other transactions contemplated by the Contracts and the Bonds, or the compliance by the Issuer with the terms of the Bonds and the Contracts, as the case may be except for (i) the Enterprise Foreign Debt Pre-Issuance Registration Certificate (企业发行外债备案登记证明) to be obtained by the Issuer in respect of, among other things, the issue of the Bonds from the National Development and Reform Commission (“**NDRC**”) pursuant to the Notice on Promoting the Reform of the Filing and Registration System for Issuance of Foreign Debt by Corporates (国家发展改革委关于推进企业发行外债备案登记制管理改革的通知) (Fa Gai Wai Zi [2015] No 2044) (the “**Circular 2044**”), which has been obtained and remains in full force and effect, (ii) the NDRC Post-Issuance Filing (as defined in Clause 5.8) and all of those which have been, or will prior to the Closing Date be, obtained and are, or will on the Closing Date be, in full force and effect, (iii) the approval by the Stock Exchange of the Employee Incentive Scheme and the related transactions as will be set out in the announcement (the “**Pricing Announcement**”) to be issued by the Issuer on or around the date of this Agreement, and the circular (the “**Circular**”) to be issued in respect of the extraordinary general meeting to be convened by the Issuer to approve, inter alia, the Transactions (as will be defined in the Pricing Announcement), (iv) the approval by the Stock Exchange of the listing of, and the permission to deal in, the New Shares upon conversion of the Bonds and of the listing of the Bonds, (v) the Shareholder’s Approval to be obtained at the extraordinary general meeting to be convened by the Issuer in accordance with Clause 6.1.4 and (vi) if applicable or required by the applicable laws and regulations, the submission of such application or filing with respect to the Bonds with the local branch of the State Administration of Foreign Exchange of the PRC (“**SAFE**”) pursuant to the Administrative Measures for Foreign Debt Registration and its operating guidelines (外债登记管理办法及外债登记管理操作指引), and the Operational Guidelines for Capital Account Foreign Exchange Operations (资本项目外汇业务操作指引), and other applicable rules issued by SAFE or the People’s Bank of China;
- 4.1.13 Compliance:** subject to the consents which are required as set out in Clause 4.1.12 above and the fulfilment of the conditions precedent as set out in Clause 6 below (including but not limited to Clause 6.1.4, Clause 6.1.11 and Clause 6.1.12), the execution and delivery of the Contracts, the issue of the Bonds, the issue of the New Shares on conversion of the Bonds, the carrying out of the other transactions contemplated by the Contracts and the Bonds and the compliance with their terms do not and will not:
- (i) conflict with or result in a breach of any of the terms or provisions of, or constitute a default (nor has any event occurred which, with the giving of

notice and/or the lapse of time and/or the fulfilment of any other requirement would result in a default by the Issuer or any other member of the Group) under, (a) the documents constituting the Issuer or any other member of the Group, or (b) any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Issuer or any member of the Group is a party or by which any of their respective properties are bound or to which any of the property or assets of the Issuer or any other member of the Group is subject (collectively, the “**Agreements and Instruments**”), except, with respect to (b) above, to the extent that such breach, violation or default would not have a Material Adverse Effect;

- (ii) infringe any existing applicable law, rule, regulation, judgment, order, authorisation or decree of any government, governmental or regulatory body or court, domestic or foreign, having jurisdiction over the Issuer or any other member of the Group or any of their respective properties; or
- (iii) infringe the rules of any stock exchange on which securities of the Issuer are listed;

4.1.14 Absence of Default and Conflicts: neither the Issuer nor any other member of the Group is in breach, violation of or in default (nor has any event occurred which, with the giving of notice and/or lapse of time and/or fulfilment of any other requirement would result in a default by the Issuer or any other member of the Group) under (i) its constitutional documents, or (ii) to the extent that such breach, violation or default would not have a Material Adverse Effect, the Agreements and Instruments, or (iii) to the extent that such breach, violation or default would not have a Material Adverse Effect, any law applicable to the Issuer or any other member of the Group or of any order by any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Issuer or any other member of the Group, or any of their assets and properties, including but not limited to NDRC;

4.1.15 No Debt Default: each member of the Group is currently in compliance with all financial covenants in its outstanding indebtedness and is not in breach or potential breach of any provision of such indebtedness, nor will be in breach or potential breach of any provision of such indebtedness following issuance of the Bonds, except for any such breach or potential breach that would not, individually or in aggregate, have a Material Adverse Effect;

4.1.16 Offering Circular:

- (i) the Offering Circular will contain and will make reference to publicly available information, which together constitutes all information with respect to the Issuer and its subsidiaries taken as a whole (the “**Consolidated Group**”), the Shares and the Bonds, which is material in the context of the issue and offering of the Bonds (including any information which is required by applicable laws of the Cayman Islands and Hong Kong and according to the particular nature of the Issuer, the Shares and the Bonds, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and

losses, and prospects of the Issuer and of the rights attaching to the Shares and the Bonds);

- (ii) the statements contained in the Offering Circular, relating to the Issuer, and to the Consolidated Group, will be in every material particular true and accurate and not misleading and there will be no facts known to the Issuer, any other member of the Consolidated Group and/or the directors of them which will not be disclosed in the Offering Circular the omission of which would make any statement therein misleading (in light of the circumstances under which they are made) or which in the circumstances of the Placement are material for disclosure therein;
- (iii) the opinions and intentions to be expressed in the Offering Circular, with regard to the Issuer and to the Consolidated Group will be honestly held, have been reached after considering all relevant circumstances will be based on reasonable assumptions;
- (iv) there will be no other facts in or referred to in the Offering Circular in relation to the Issuer, the Consolidated Group, the Shares or the Bonds, the omission of which would make any statement or expression misleading in any material respect (in light of the circumstances under which they are made);
- (v) all reasonable enquiries will be made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements; and
- (vi) the Offering Circular will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

4.1.17 Financial Statements:

- (i) the consolidated financial statements of the Consolidated Group as at and for the two years ended 31 December 2019 and 2018 respectively, provided to the Placing Agent and incorporated by reference in the Offering Circular were prepared in accordance with International Financial Reporting Standards (“IFRS”) consistently applied and present a true and fair view of the financial position of the Issuer and of the Consolidated Group as at the dates, and the results of operations and changes in financial position of the Issuer and of the Consolidated Group for the periods in respect of which they have been prepared;
- (ii) the unaudited but reviewed consolidated interim financial statements of the Consolidated Group as at and for the six months ended 30 June 2019 and 2020 provided to the Placing Agent and incorporated by reference in the Offering Circular were prepared in accordance with IFRS consistently applied and present fairly in all material respects the financial position of the Issuer and of the Consolidated Group as at the dates, and the results of operations and changes in financial position of the Issuer and of the Consolidated Group for the periods in respect of which they have been prepared; and

- (iii) since 30 June 2020 there has been no change (nor any development or event involving a prospective change of which the Issuer or the Issuer is, or might reasonably be expected to be, aware) which is materially adverse to the condition (financial or other), prospects, results of operations or general affairs of the Issuer or of the Consolidated Group, respectively, except as will be described in the Offering Circular;

4.1.18 Critical Accounting Policies: the Offering Circular will incorporate by reference:

- (i) accounting judgments and estimates which the Issuer believes to be the most important in the portrayal of the financial condition and results of operations of the Consolidated Group and which require management's most difficult, subjective or complex judgments (the "**Critical Accounting Policies**");
- (ii) material judgments and uncertainties affecting the application of the Critical Accounting Policies; and
- (iii) the likelihood that materially different amounts would be reported under different conditions or using different assumptions, and the Board of Directors and audit committee of the Issuer have reviewed and agreed with the selection, application and disclosure of the Critical Accounting Policies as will be contained in the Offering Circular and have consulted with the independent auditors of the Issuer with regards to such disclosure;

4.1.19 Accounting Controls: the Issuer and its consolidated subsidiaries has established procedures which provide a reasonable basis for each of them to make proper judgements as to the financial position and prospects of the Group, taken as a whole, and each member of the Group maintains a system of internal accounting controls sufficient to provide reasonable assurances that:

- (i) transactions are executed in accordance with management's general or specific authorisations;
- (ii) transactions are and will be recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability;
- (iii) access to assets is permitted only in accordance with management's general or specific authorisation;
- (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
- (v) notifiable transactions, connected transactions and any other transactions, discloseable interests, irregularities or matters are readily identified and reported to management of the Group and any regulatory bodies as and when required in accordance with the applicable Laws including the Listing Rules,
- (vi) the policies and procedures governing (i) to (v) above and any other corporate governance policies are documented properly and the implementation of such corporate governance policies are monitored by the responsible persons regularly;

- (vii) the Issuer and its consolidated subsidiaries has made and kept books, records and accounts which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of assets of such entity and provide a sufficient basis for the preparation of the consolidated financial statements of the Issuer in accordance with IFRS; and
- (viii) the current management information and accounting control systems of the Issuer has been in operation for at least 12 months during which time none of the Issuer or any of its consolidated subsidiaries has experienced any material difficulties with regard to (i) through (v) above;

4.1.20 Contingent Liabilities: other than any liabilities or potential liabilities of the Group in connection with the Employee Incentive Scheme and any related transactions, there are no outstanding guarantees or contingent payment obligations of the Consolidated Group in respect of indebtedness of third parties which are material in the context of the issue or offering of the Bonds except as will be described in the Offering Circular; each member of the Consolidated Group is in compliance with all of its obligations under any outstanding guarantees or contingent payment obligations as will be described in the Offering Circular, except for such non-compliance which would not individually or in the aggregate have a Material Adverse Effect;

4.1.21 Off-balance Sheet Arrangements: other than any liabilities or potential liabilities of the Group in connection with the Employee Incentive Scheme and any related transactions, there are no material off-balance sheet transactions, arrangements, and obligations; and neither the Issuer nor any other member of the Group has any relationships with unconsolidated entities that are contractually limited to narrow activities that facilitate the transfer of or access to assets by the Issuer or any other member of the Group, such as structured finance entities and special purpose entities that could have a material effect on the liquidity of the Issuer or any other member of the Group or the availability thereof or the requirements of the Issuer or any other member of the Group for capital resources;

4.1.22 Dividends: no subsidiary of the Issuer is currently prohibited, directly or indirectly from paying any dividends to the Issuer from making any other distribution on such subsidiary's capital stock, from repaying to the Issuer any loans or advances to such subsidiary from the Issuer or from transferring any of such subsidiary's property or assets to the Issuer or any other subsidiary of the Issuer;

4.1.23 Auditors: the auditors who audited the consolidated financial statements of the Issuer and the notes thereto and delivered an audit report thereon, each of which will be incorporated by reference in the Offering Circular, are independent reporting accountants with respect to the Issuer as described in the audit report;

4.1.24 Title:

- (i) the Issuer and each other member of the Group has good and marketable title to all real property, personal property and any other assets owned by it (including such property or assets as will be described in the Offering Circular) or any rights or interests thereto, in each case as is necessary to conduct the business now operated by it ("**Assets**"), except for such failure which would not, individually or in the aggregate, have a Material Adverse Effect;

- (ii) the Issuer and each other member of the Group has received all necessary approvals in order to have good and marketable title to its Assets, including without limitation approvals relating to the evaluation, acquisition and perfection of such title, except for such failure which would not, individually or in the aggregate, have a Material Adverse Effect; and
- (iii) there are no charges, liens, encumbrances or other security interests or third party rights or interests, conditions, planning consents, orders, regulations, defects or other restrictions affecting any of such Assets which could have a material adverse effect on the value of such Assets, or limit, restrict or otherwise have a material adverse effect on the ability of the relevant member of the Group to utilise or develop any such Assets and, where any such Assets are held under lease, each lease is a legal, valid, subsisting and enforceable lease;

4.1.25 Approvals:

- (i) the Issuer and each other member of the Group possesses adequate certificates, authorisations, licences, orders, consents, approvals or permits (“**Approvals**”) issued by, and has made all necessary declarations and filings with, all appropriate national, state, local and other governmental agencies or bodies, all exchanges and all courts and other tribunals, domestic or foreign, necessary to own or lease, as the case may be, and to operate its properties and to conduct the business now operated by them, except for such failure to possess Approvals or make declarations and filings which would not, individually or in the aggregate, have a Material Adverse Effect;
- (ii) the Issuer and each other member of the Group is in compliance with the terms and conditions of all such Approvals, except for such non-compliance which would not, individually or in the aggregate, have a Material Adverse Effect;
- (iii) all of the Approvals are valid and in full force and effect, except for such invalidity which would not, individually or in the aggregate, have a Material Adverse Effect; and
- (iv) neither the Issuer nor any other member of the Group has received any notice of proceedings relating to the revocation or modification of any such Approvals or is otherwise aware that any such revocation or modification is contemplated or threatened, that, if determined adversely to the Issuer or any member of the Group, would individually or in the aggregate have a Material Adverse Effect;

4.1.26 Taxes and Assessments:

- (i) except in each case, as would not individually or in the aggregate, have a Material Adverse Effect, all necessary returns, reports or filings which ought to have been made by or in respect of the Issuer and each other member of the Group for taxation purposes (i) have been made on a timely basis and all such returns are correct and (ii) are not the subject of any dispute with the relevant revenue or other appropriate authorities and (iii) as far as the Issuer is aware, do not reveal any circumstances likely to give rise to

any such dispute and the provisions, charges, accruals and reserves included in the financial statements are sufficient to cover all taxation of the Issuer and each other member of the Group existing in all accounting periods ended on or before the accounting reference date to which the financial statements relate whether payable then or at any time thereafter. No liability for tax which has not been provided for in the financial statements of the Issuer or any other member of the Group has arisen or has been asserted by the tax authorities against the Issuer or any other member of the Group, except as would not, individually or in the aggregate, have a Material Adverse Effect; and

- (ii) the Issuer and each other member of the Group has duly and in a timely manner paid all taxes that have become due, including, without limitation, all taxes reflected in the tax returns referred to in sub-Clause (i) above, or any assessment, proposed assessment, or notice, either formal or informal, received by the relevant member of the Group except for any such taxes that are being contested in good faith and by appropriate proceedings or where the failure to file or make payment would not, individually or in the aggregate, have a Material Adverse Effect;

4.1.27 Taxes/Duties: save as will be disclosed under “Taxation” in the Offering Circular, no tax or duty (including any stamp or issuance or transfer tax or duty, any service tax and any tax or duty on capital gains or income) is assessable or payable in, and no withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature is imposed or made for or on account of any income, registration, transfer, service or turnover taxes, customs or other duties or taxes of any kind, levied, collected, withheld or assessed by or within the Cayman Islands, the People’s Republic of China (the “**PRC**”), Hong Kong, the Grand Duchy of Luxembourg or Belgium or any other relevant jurisdiction or by any sub-division of or authority therein or thereof having power to tax, in connection with the creation, issue and offering of the Bonds or the execution or delivery of any of the Contracts or the performance of the obligations thereunder (including, without limitation, issuance of the New Shares on conversion of the Bonds) (for the avoidance of doubt, excluding any tax imposed in respect of net income by a taxing jurisdiction in which the Placing Agent is incorporated or resident for tax purposes or carries on or is deemed to carry on business);

4.1.28 Litigation: there are no pending actions, suits or proceedings against or affecting the Issuer or any other member of the Group or any of their respective properties, which if determined adversely to the Issuer or any other member of the Group would individually or in the aggregate have a Material Adverse Effect and, to the best of the Issuer’s knowledge (after due and careful enquiry), no such actions, suits or proceedings are threatened or contemplated. There is also no winding up petition affecting (i) the Issuer or (ii) any other member of the Group that, in the case of any winding up petition affecting any other member of the Group, would individually or in the aggregate have a Material Adverse Effect;

4.1.29 Investigation: there are no police, legal, governmental or regulatory investigations nor any pending actions, suits or proceedings, including but not limited to any pending actions, proceedings or investigations by NDRC, against or affecting the Issuer or any other member of the Group or any of their respective executive

directors, officers, properties or employees, which, if determined adversely to the Issuer or any other member of the Group or any of their respective directors, officers, properties or employees, would individually or in the aggregate have a Material Adverse Effect, and to the best of the Issuer's knowledge (after due and careful enquiry), no such investigations, actions, suits or proceedings are threatened or contemplated;

4.1.30 Insurance: the Issuer and each other member of the Group has in place all insurance policies necessary and customary for the conduct of their businesses as currently operated and for compliance with all requirements of law, such policies are in full force and effect, and all premiums with respect thereto have been paid, and no notice of cancellation or termination has been received with respect to any such policy, and the Issuer and each other member of the Group has complied in all material respects with the terms and conditions of such policies except in each case as would not, individually or in the aggregate, result in a Material Adverse Effect;

4.1.31 Intellectual Property: the Issuer and each other member of the Group owns or possesses, or can acquire on reasonable terms, adequate patents, patent rights, licences, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "**Intellectual Property**") necessary to carry on the business now operated by it in each country in which it operates, and neither the Issuer nor any other member of the Group has received any notice or is otherwise aware of any infringement of or conflict in any jurisdiction with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Issuer or any other member of the Group therein, except for such failure to own or possess, infringement or conflict which would not, individually or in the aggregate, have a Material Adverse Effect;

4.1.32 Environmental Laws: the Issuer and each other member of the Group (i) has received, is in compliance with and will comply with all permits, licences or other approvals required of it under applicable Environmental Laws to conduct its businesses and (ii) has not received notice of any actual or potential liability under any Environmental Law, except in each case as would not, individually or in the aggregate, have a Material Adverse Effect.

For the purpose of this Clause, "**Environmental Laws**" means any and all supra-national, national, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licences, agreements or other governmental restrictions relating to the protection of the environment (including, without limitation, human, animal and plant life, ambient air, surface water, ground water, or land), the protection of property and proprietary rights or for the compensation of harm to the environment whether by clean-up, remediation, containment or other treatment or the payment of monies to any competent authority;

4.1.33 Events of Default or Relevant Event: no event has occurred or circumstance arisen which, had the Bonds already been issued, could reasonably be expected to (whether or not with the giving of notice and/or the passage of time and/or the

fulfilment of any other requirement): (i) constitute an event described under “Events of Default” in the Terms and Conditions of the Bonds; (ii) a Relevant Event (as defined in the Terms and Conditions) resulting in the entitlement of the Bondholders to exercise the put option under the Bonds; or (iii) require an adjustment of the initial conversion price of the Bonds, save for any adjustments as set out in Clause 1.6 and Condition 6(c) of the Terms and Conditions;

- 4.1.34 Labour Disputes:** no labour dispute with the employees of the Group, which would, individually or in the aggregate, have a Material Adverse Effect, exists or, to the knowledge of the Issuer, is imminent. The Issuer is not aware of any existing or imminent labour disturbance by the employees of any of its principal suppliers, manufacturers or contractors, which would, individually or in the aggregate, have a Material Adverse Effect;
- 4.1.35 Data:** the statistical, industry and market-related data to be included in the Offering Circular is based on or derived from sources which the Issuer believes to be accurate and reliable in all material respects;
- 4.1.36 Information:** all information supplied or disclosed in writing or orally including, without limitation, the answers and documents provided at due diligence meetings (if any) (and any new or additional information serving to update or amend such information supplied or disclosed by the Issuer to the Placing Agent or the legal and other professional advisers to the Placing Agent) is in every material respect true and accurate and not misleading and all publicly available information and records of the Issuer and any other member of the Group (including information contained in annual reports, statutory filings and registrations and publications made under the Listing Rules) was, when published true and accurate in all material respects and all forecasts, opinions and estimates relating to the Issuer and each other member of the Group so supplied or disclosed have been made after due, careful and proper consideration, are based on reasonable assumptions and represent reasonable and fair expectations honestly held based on facts known to such persons (or any of them); and the Issuer has disclosed all information regarding the financial or business condition or prospects of the Issuer and the Consolidated Group, which is relevant and material in relation to the Issuer and the Consolidated Group, in the context of the issue, offering and sale of the Bonds, and there is not in existence any undisclosed material or information relating to the Issuer or the Group which is required to be disclosed by the Issuer under the Listing Rules or the disclosure of which would have a material effect on the trading price of the Shares; the Issuer has not been, is not and will not be at any time engaged in insider dealing in connection with the issue of the Bonds and the related transactions entered into or to be entered into pursuant to this Agreement;
- 4.1.37 Announcements:** with respect to all the announcements issued by the Issuer; (i) all statements contained therein were in every material particular true and accurate and not misleading; (ii) all opinions and intentions expressed in them were honestly held, were reached after considering all relevant circumstances and were based on reasonable assumptions and (iii) there were no other facts omitted so as to make any such statement or expression in any of the announcements misleading in any material respect or which would or might have been material in the context in which the announcements were made;

- 4.1.38 No Repurchases:** the Issuer has not made any repurchases of shares (as defined in Listing Rule 10.06(6)(c) of the Listing Rules) in the 30 day period prior to the date of this Agreement;
- 4.1.39 No Fiduciary Relationship:** the Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement, including the determination of the issue of the Bonds and any related discounts and commissions, is an arm's-length commercial transaction between the Issuer, on the one hand, and the Placing Agent, on the other hand; (ii) in connection with the Placement, the Placing Agent is and has been acting solely as principal and is not the agent or fiduciary of the Issuer or any of its stockholders, creditors, employees or any other party; (iii) the Placing Agent has not assumed nor will it assume an advisory or fiduciary responsibility in favour of the Issuer with respect to the Placement or the process leading thereto (irrespective of whether the Placing Agent has advised or is currently advising the Issuer on other matters) and the Placing Agent has no obligation to the Issuer with respect to the Placement except the obligations expressly set forth in this Agreement; (iv) the Placing Agent and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Issuer; and (v) the Placing Agent has not provided any legal, accounting, regulatory or tax advice with respect to the Placement and the Issuer has consulted its own legal, accounting, regulatory and tax advisors to the extent it deems appropriate. This Agreement supersedes any prior agreement or understanding (whether written or oral) between the Issuer and the Placing Agent with respect to the subject matter of this Clause;
- 4.1.40 No Unlawful Payments:** neither the Issuer nor any of its subsidiaries nor any director, officer, or employee or any of its subsidiaries nor, to the knowledge of the Issuer, any agent, affiliate or other person acting on behalf of the Issuer or any of its subsidiaries have (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Issuer and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws;
- 4.1.41 Compliance with Money Laundering Laws:** the operations of the Issuer and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of

the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Issuer or any of its subsidiaries conducts business, including Organised and Serious Crimes Ordinance (Chapter 455 of the Laws of Hong Kong) and the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Chapter 615 of the Laws of Hong Kong), the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the “**Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Issuer or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Issuer, threatened;

4.1.42 No Conflicts with Sanctions Laws: neither the Issuer nor any of its subsidiaries, nor any of the directors or officers of the Issuer or any of its subsidiaries, nor, to the knowledge of the Issuer, any employee, agent, or affiliate or other person acting on behalf of the Issuer or any of its subsidiaries:

- (i) is an individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or entity (a “**Person**”) that is, or is owned or controlled by Persons that are, the currently subject of (a) any U.S. sanctions administered or enforced by the United States Government (including without limitation, by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“**OFAC**”)) or the U.S. Department of State or any sanctions or measures imposed by the United Nations Security Council, the European Union, the United Kingdom or Her Majesty’s Treasury (“**HMT**”) or any other relevant sanction authority or (b) any sanctions pursuant to United States legislation (including, without limitation, the U.S. Trading with the Enemy Act, the U.S. International Emergency Economic Powers Act, the U.S. United Nations Participation Act, the Iran Sanctions Act, the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010, the Syria Accountability and Lebanese Restoration Sovereignty Act, and any of the foreign assets control regulations of the United States Treasury Department (as codified in 31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto) (collectively, the “**Sanctions**”);
- (ii) is located, organised, resident or operating in a country or territory that is or whose government is, the subject of Sanctions (including, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine);
- (iii) has engaged in, and is now engaged in (a) any projects, dealings or transactions with any person or entity in any manner which constitutes a violation of Sanctions by the Issuer, its subsidiaries or the directors of the Issuer, (b) any projects, dealings or transactions with any government or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions or in any manner which constitutes a violation of Sanctions by the Issuer, its subsidiaries or the directors of the Issuer (for the purpose of this sub-clause only, no representation or warranty shall be

given on officers or employees of the Issuer or any of its subsidiaries, or any director of any of the Issuer's subsidiaries); or

- (iv) is or has been in violation of or subject to an investigation relating to any Sanctions.

To the knowledge of the Issuer, none of the directors of the Issuer's subsidiaries, the officers or employees of the Issuer or any of its subsidiaries has engaged in, and is now engaged in any projects, dealings or transactions (a) with any person or entity in any manner which constitutes a violation of Sanctions by the directors of the Issuer's subsidiaries, the officers or employees of the Issuer or any of its subsidiaries, or (b) with any government or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions or in any manner which constitutes a violation of Sanctions by the officers or employees of the Issuer or any of its subsidiaries.

- 4.1.43 Use of Proceeds:** the use by the Issuer of the proceeds from the issue of the Bonds in the manner as will be set forth in the Offering Circular does not violate (i) any applicable existing laws or regulations of any relevant jurisdiction, (ii) any provision of the constitutive documents of the Issuer or any member of the Group, (iii) any agreement or other instrument binding on the Issuer or any member of the Group, or (iv) any judgement, order or decree of any governmental or regulatory body, agency or court having jurisdiction over the Issuer or any member of the Group;
- 4.1.44 Stabilisation:** neither the Issuer nor any of its affiliates (as defined in Rule 501(b) of Regulation D), nor any person acting on behalf of any of them has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilisation in violation of applicable laws or manipulation of the price of any security to facilitate the sale or resale of the Bonds;
- 4.1.45 Foreign Issuer and U.S. Market Interest:** the Issuer is a "foreign issuer" (as such term is defined in Regulation S) which reasonably believes that there is no "substantial U.S. market interest" (as defined in Regulation S) in the Issuer's debt securities or in the Shares or any securities of the same class or series as the Shares;
- 4.1.46 Directed Selling Efforts:** neither the Issuer nor any of its affiliates (as defined in Rule 405 under the Securities Act) nor any persons acting on behalf of any of them has engaged in any "directed selling efforts" (as defined in Regulation S) with respect to the Bonds or the Shares to be issued upon conversion of the Bonds;
- 4.1.47 No Registration:** no registration of the Bonds under the Securities Act will be required for the offer, sale and delivery of the Bonds by the Placing Agent in the manner contemplated by this Agreement; and
- 4.1.48 No Competing Arrangements:** the Issuer is not a party to any other transaction which has or will have a material adverse effect on the transactions contemplated by this Agreement, the Bonds, and the other Contracts;

- 4.2 Repetition:** Subject to Clause 10, the representations and warranties contained in, or given pursuant to, Clause 4.1 shall be deemed to have been repeated at the Publication Date and the Closing Date, taking into account facts and circumstances subsisting at such

date, provided that on such dates references to the future tense in Clause 4.1.16 shall be deemed to be the present tense and on the Closing Date references to the "Publication Date" shall be deemed to be the Closing Date.

4.3 Indemnity:

4.3.1 The commitment of the Placing Agent under this Agreement is being made on the basis of the foregoing representations and warranties and agreements of the Issuer. The Issuer undertakes to pay the Placing Agent on demand an amount which on an after tax basis is equal to any liability, damages, cost, claim, loss or expense (including, without limitation, legal fees, costs and expenses) (a "**Loss**") incurred by it, any of its subsidiaries, affiliates or any person who controls any of them or any of its respective directors, officers, employees or agents (each an "**Indemnified Person**") in respect of or in connection with:

- (i) any breach or alleged breach of any of the representations, warranties, undertakings or agreements contained in, or deemed to be made pursuant to, this Agreement or any certificate issued by the Issuer, including (without limitation) the failure by the Issuer to issue the Bonds;
- (ii) any untrue statement or alleged untrue statement of a material fact contained in the Offering Circular (or any supplement to any of them) and/or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading;
- (iii) the issue and publication of the Offering Circular and any supplementary offering circular and/or any other documentation relating to the offering and sale of the Bonds;
- (iv) the services rendered or duties performed by the Placing Agent under this Agreement; or
- (v) the failure or alleged failure by the Issuer or any member of the Group or any of their respective directors or officers to comply with any requirements of statute or regulation in relation to the offering and sale of the Bonds.

Loss shall include (without limitation) all Losses which an Indemnified Person may incur in investigating, preparing, disputing or defending, or providing evidence in connection with, any litigation, claim, action, proceeding, investigation, demand, judgment or award (each a "**Claim**") (whether or not the Indemnified Person is an actual or potential party to such Claim) or in establishing any Claim or mitigating any Loss on its part or otherwise enforcing its rights under this Clause 4.3, which shall be additional and without prejudice to any rights which the Indemnified Person may have at common law or otherwise.

4.3.2 The Placing Agent shall not have any duty or obligation, whether as fiduciary or trustee for any Indemnified Person or otherwise, to recover any such payment or to account to any other person for any amounts paid to it under this Clause 4.3 and save to the extent notified in writing to an Indemnified Person by the Placing Agent, the Placing Agent (without obligation) will have the sole conduct of any action to enforce such rights on behalf of the Indemnified Person. This Agreement may be

terminated, amended or varied in any way and at any time by the parties hereto without the consent of any Indemnified Person.

- 4.3.3 The respective indemnities, agreements, representations, warranties and other statements of the Issuer and the Placing Agent, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by the Placing Agent or the Issuer and shall survive delivery of and payment for the Bonds.

5 Undertakings of the Issuer

The Issuer undertakes with the Placing Agent that:

5.1 Taxes: the Issuer will pay:

- (i) any stamp, issue, registration, documentary or other similar taxes and duties, including interest and penalties in the Cayman Islands, the United Kingdom, Hong Kong, the Grand Duchy of Luxembourg or Belgium and all other relevant jurisdictions payable on or in connection with the creation, issue and offering of the Bonds or the execution or delivery of the Contracts; and
- (ii) in addition to any amount payable by it under this Agreement, and upon receipt of a valid invoice (if applicable) any value added, service, turnover or similar tax payable in respect thereof (and references in this Agreement to such amount shall be deemed to include any such taxes so payable in addition to it);

5.2 Delivery of Offering Circular: the Issuer will deliver to the Placing Agent, without charge, on the Publication Date and thereafter from time to time as requested, such number of copies of the Offering Circular and all amendments and supplements thereto as the Placing Agent may reasonably request;

5.3 Amendment: if at any time prior to the date falling 40 days after the Closing Date any event shall have occurred as a result of which the Offering Circular, as then amended or supplemented, would include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they are made when such Offering Circular is delivered, not misleading, or if for any other reason it shall be necessary to amend or supplement the Offering Circular, the Issuer will notify the Placing Agent, and, upon reasonable request from the Placing Agent, will prepare and furnish without charge to the Placing Agent as many copies as the Placing Agent may from time to time reasonably request of such amendment or a supplement to the Offering Circular which will correct such statement or omission and the representations and warranties contained in, or given pursuant to, Clause 4.1 will be true and accurate with respect to such amendment or supplement to the Offering Circular as if repeated as at its date;

5.4 Compliance with Schedule 2: the Issuer will comply with the relevant restrictions set out in Schedule 2 hereto as if it were the Placing Agent under this Agreement;

5.5 Warranties: the Issuer will forthwith notify the Placing Agent if at any time prior to payment of the net subscription moneys to the Issuer on the Closing Date anything occurs which renders or may render untrue or incorrect in any respect any of its representations, warranties, agreements and indemnities herein and will forthwith take such steps as the Placing Agent may reasonably require to remedy and/or publicise the fact;

- 5.6 Conversion:** the Issuer will issue, in accordance with the Terms and Conditions, New Shares (which rank *pari passu* with the other Shares then outstanding) free and clear of all liens, claims, charges, security, encumbrances or like interests upon conversion of Bonds pursuant to the Terms and Conditions;
- 5.7 Conversion Price:** the Issuer will not take any action that would reduce the conversion price of the Bonds below a level that may be prescribed by applicable laws and regulations from time to time (if any);
- 5.8 Approvals and Filing:** the Issuer will use its reasonable endeavours to obtain all necessary approvals and consents and promptly make all necessary notifications, registrations and filings as may from time to time be required in relation to the Bonds and/or the New Shares, including (i) the Specific Mandate to be obtained to allot, issue and deal with the New Shares to be issued on conversion of the Bonds in accordance with Clause 6.1.4, (ii) the requisite information and documents which shall be filed by the Issuer with the NDRC within 10 PRC Business Days after the Closing Date and in accordance with Circular 2044 (the “**NDRC Post-Issuance Filing**”) and (iii) if applicable or required by the applicable laws and regulations, the submission of such application or filing with respect to the Bonds in accordance with, and within the time period prescribed by, the Administrative Measures for Foreign Debt Registration and its operating guidelines and other applicable rules issued by SAFE or the People’s Bank of China and obtaining a registration form or evidence of filing from SAFE on or before the Registration Deadline (as will be defined in the Terms and Conditions);
- 5.9 Clearing Systems:** the Issuer will co-operate with the Placing Agent and use its reasonable endeavours to permit the Bonds to be eligible for clearance and settlement through the facilities of Euroclear and Clearstream, Luxembourg;
- 5.10 Use of Proceeds:** the Issuer will use the net proceeds from the issue of the Bonds in the manner as specified in the Offering Circular under “Use of Proceeds”;
- 5.11 Sanctions:** the Issuer will not directly or indirectly use the proceeds of the offering of the Bonds hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any Person in any manner which constitutes a violation of Sanctions by the Issuer, (ii) to fund or facilitate any activities of or business in any country, region or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea and Syria or (iii) in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as advisor, investor or otherwise) of Sanctions;
- 5.12 Announcements:** between the date hereof and a period of 40 days after the Closing Date (both dates inclusive), the Issuer will, and will cause its subsidiaries and affiliates and all other parties acting on its or their behalf to notify and consult with the Placing Agent (unless prevented by applicable law or regulations) prior to issuing any announcement concerning, or which could be material in the context of, the offering and distribution of the Bonds, and shall take into account such requests as the Placing Agent shall reasonably make with respect to such announcements, unless the Issuer is prevented from obtaining such consent by applicable law or regulation;
- 5.13 Directed Selling Efforts:** neither the Issuer nor any of its respective affiliates (as defined in Rule 405 under the Securities Act), nor any person acting on its or their behalf of any of

them will engage in any “directed selling efforts” (as defined in Regulation S) with respect to the Bonds or the Shares to be delivered upon the conversion of the Bonds;

- 5.14 Section 3(a)(9) Compliance:** in connection with the conversion of the Bonds into the Shares, neither the Issuer nor any person acting on its behalf will take any action which would result in the Shares being exchanged by the Issuer other than with the Issuer’s existing security holders exclusively where no commission or other remuneration is paid or given directly or indirectly for soliciting such exchange; and
- 5.15 No Sales:** neither the Issuer nor any member of the Group, nor any person acting on its or their behalf will, directly or indirectly, make offers or sales of any security, or solicit offers to buy any securities, under circumstances that would require the registration of the Bonds or Shares under the Securities Act.

6 Conditions Precedent

6.1 The obligations of the Placing Agent to place the Bonds are conditional on:

- 6.1.1 Due Diligence:** the Placing Agent being reasonably satisfied with the results of its due diligence investigations (if any) with respect to the Issuer and its subsidiaries and the Offering Circular shall have been prepared in form and content satisfactory to the Placing Agent;
- 6.1.2 Other Contracts:** the execution and delivery (on or before the Closing Date) of the other Contracts, each in a form reasonably satisfactory to the Placing Agent, by the respective parties;
- 6.1.3 Authorisation:** on or prior to the Closing Date, there having been delivered to the Placing Agent a copy of:
- (i) the currently effective memorandum and articles of association of the Issuer; and
 - (ii) the resolutions of the Board of Directors authorising the execution of this Agreement and the other Contracts, the issue of the Bonds and the entry into and performance of the transactions contemplated.
- 6.1.4 Shareholder’s Approval:** on or prior to the Closing Date, there having been delivered to the Placing Agent a copy of the ordinary resolution(s) by the shareholders of the Issuer at the extraordinary general meeting to be convened by the Issuer to approve, *inter alia*, the Transactions (as will be defined in the Pricing Announcement), including the adoption of the Employee Incentive Scheme and the related transactions, the placing of the Bonds by the Issuer through the Placing Agent pursuant to the terms of this Agreement (the “**Placing**”) and the grant of a specific mandate to the Board of Directors to allot and issue the New Shares pursuant to the Terms and Conditions, in form and substance reasonably satisfactory to the Placing Agent (the “**Specific Mandate**”);
- 6.1.5 Employee Incentive Scheme:** (i) the approval by the Stock Exchange of the Employee Incentive Scheme and the related transactions as will be set out in the Pricing Announcement and the Circular; and (ii) the satisfaction and/or waiver of the conditions precedent to the Employee Incentive Scheme as will be set forth in the Pricing Announcement and the Circular.

- 6.1.6 Auditors' Letters:** on the Publication Date and on the Closing Date, there having been delivered to the Placing Agent letters, in form and substance satisfactory to the Placing Agent, dated the date hereof in the case of the first letter and dated the Closing Date in the case of the subsequent letter, and addressed to the Placing Agent from Ernst & Young, auditors to the Issuer;
- 6.1.7 Compliance:** at the Closing Date:
- (i) the representations and warranties of the Issuer in this Agreement being true and accurate at, and as if made on such date;
 - (ii) the Issuer having performed all of its obligations under this Agreement to be performed on or before such date; and
 - (iii) there having been delivered to the Placing Agent a certificate in the form attached as Schedule 3, dated as of such date, of a duly authorised officer of the Issuer to such effect;
- 6.1.8 Material Adverse Change:** after the date hereof and up to and at the Closing Date, there shall not have occurred any change (nor any development or event involving a prospective change), in the financial condition, prospects, earnings, results of operations or business of the Issuer or of the Consolidated Group, which, in the opinion of the Placing Agent, is material and adverse in the context of the issue and Placement of the Bonds;
- 6.1.9 Other consents:** on or prior to the Closing Date there shall have been delivered to the Placing Agent copies of all consents and approvals required in relation to the issue of the Bonds and the performance of its obligations under the Trust Deed, the Agency Agreement and the Bonds (including the consents and approvals (if any) required from all lenders);
- 6.1.10 Certificate of No Default:** there having been delivered to the Placing Agent a certificate of no default in the form attached as Schedule 4 dated the Closing Date, of a duly authorised officer of the Issuer;
- 6.1.11 NDRC Pre-Issuance Registration Certificate:** on or prior to the Closing Date, there having been delivered to the Placing Agent a copy of the pre-issuance registration certificate in respect of, among other things, the issue of the Bonds evidencing the registration of the issue of the Bonds with the NDRC;
- 6.1.12 Listing:** the approval by the Stock Exchange of the listing of, and the permission to deal in, the New Shares upon conversion of the Bonds and of the listing of the Bonds, in each case subject to any conditions reasonably satisfactory to the Placing Agent (or, in each case, the Placing Agent being reasonably satisfied that such listing will be granted);
- 6.1.13 Legal Opinions:** on or before the Closing Date, there having been delivered to the Placing Agent opinions, in form and substance satisfactory to the Placing Agent, dated the Closing Date, of:
- (i) a law firm qualified to advise on PRC law, acting as legal adviser to the Placing Agent as to PRC law;
 - (ii) a law firm qualified to advise on Cayman Islands law, acting as legal adviser to the Issuer as to Cayman Islands law; and

- (iii) Linklaters, legal advisers to the Placing Agent as to English law and Hong Kong law; and

6.1.14 Other Documents: such other resolutions, consents, authorities and documents relating to the issue of the Bonds, as the Placing Agent may reasonably require.

6.2 Waiver: The Placing Agent may, at its discretion and upon such terms as it thinks fit, waive compliance with the whole or any part of this Clause 6.

7 Closing

7.1 Issue of the Bonds: Not later than 5:00 p.m. (Hong Kong time) (or such other time as may be agreed by the Placing Agent and the Issuer) on the Closing Date, the Issuer will issue the Bonds (on a free of payment basis) and procure the entry in the register of Bondholders (the “**Register**”) of the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg (the “**Common Depository**”) and will deliver to the Common Depository the Global Certificate duly executed and authenticated representing the aggregate principal amount of the Bonds. Delivery of the Global Certificate and completion of the Register shall constitute the issue and delivery of the Bonds.

7.2 Payment: To the extent the Settlement Agent has received the purchase moneys for the Bonds from the relevant subscribers, the Placing Agent authorises the Settlement Agent to, and the Settlement Agent will, pay or cause to be paid to the Issuer the net subscription moneys for the Bonds (being the aggregate amount payable for the Bonds calculated at the Issue Price less the Placing Agent Fee referred to in Clause 8). Such payment shall be made by the Placing Agent in Hong Kong dollars in immediately available same day settlement funds for value on the Closing Date to such Hong Kong dollars account in Hong Kong maintained by the Issuer as shall be notified by the Issuer to the Placing Agent not later than five days prior to the Closing Date, evidence of such payment taking the form of a confirmation by the Placing Agent that it has made such payment to the Issuer.

8 Fees of the Placing Agent

In consideration of the agreement by the Placing Agent to act as placing agent in relation to the issue of the Bonds and to procure subscriptions and payment for the Bonds as provided herein, the Issuer agrees to pay to the Placing Agent a fee of U.S.\$160,000 (the “**Placing Agent Fee**”). Such Placing Agent Fee shall be deducted from the subscription moneys for the Bonds as provided in Clause 7.2.

9 Expenses

9.1 General Expenses: The Issuer agrees to pay:

- (i) all costs and expenses in connection with (a) the fees and expenses of its own legal and other professional advisers and other third parties appointed by it in connection with the issue and offering of the Bonds; (b) the preparation, production and delivery of the Offering Circular (in proof and definitive form and any supplement or amendment thereto) and the listing particulars (if any), the Contracts and all other documents relating to the issue of the Bonds, (c) the initial delivery and distribution of the Bonds; (d) the listing of the Bonds and the New Shares upon conversion of the Bonds on the Stock Exchange; and (e) the fees and expenses of

the Placing Agent's legal advisers in the respective engagement arrangements between the Placing Agent and its legal advisers and as approved by the Issuer; and

- (ii) the fees and expenses of the Principal Paying Agent, the Trustee and the other agents appointed under the Agency Agreement in relation to the preparation and execution of the Contracts (including, without limitation, the fees and expenses of the Trustee's legal advisers in the respective engagement arrangements between the Trustee and its legal advisers and as approved by the Issuer), the issue and authentication of the Bonds and the performance of their duties under the Contracts.

9.2 Placing Agent's Expenses: The Placing Agent will bear its own costs and expenses incurred in connection with the issue of the Bonds, including fees and expenses of the Placing Agent's legal advisers that exceed the amount in their respective engagement arrangements which have been approved by the Issuer and all travelling (including hotel accommodations and flight tickets, telecommunications, postage and other out-of-pocket expenses) in connection with investor presentations, if any.

9.3 Payment: All payments due under this Agreement are to be made (in the case of the Placing Agent Fee in respect of the Bonds set out in Clause 8 and payments of damages or judgement debts and/or payments pursuant to the indemnities in Clause 4.3) Hong Kong dollars or U.S. dollars and (in the case of all other payments) the specified currency in the relevant invoice and are stated exclusive of any applicable tax whether income taxes, withholding taxes, value added taxes, goods and services taxes, business or services taxes or similar taxes other than taxes imposed in respect of net income by a taxing jurisdiction wherein the recipient is incorporated or resident or carries on or is deemed to carry on business for tax purposes ("**Taxes**"). If any deduction or withholding for or on account of Taxes is required to be made from any payment to the Placing Agent, then the Issuer shall pay an additional amount so that the Placing Agent receives the full amount of the payments set out herein (as if no deduction or withholding had been required). The Issuer shall make appropriate payments and returns in respect of such Taxes and provide the Placing Agent with an original or authenticated copy of any tax receipt.

10 Termination

10.1 Placing Agent's Ability to Terminate: Notwithstanding anything contained in this Agreement, the Placing Agent may, by notice to the Issuer given at any time prior to payment of the net subscription monies for the Bonds to the Issuer, terminate this Agreement in any of the following circumstances:

- 10.1.1** if there shall have come to the notice of the Placing Agent any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in this Agreement or any failure to perform any of the Issuer's undertakings or agreements in this Agreement;
- 10.1.2** if any of the conditions specified in Clause 6 has not been satisfied or waived by the Placing Agent on or prior to the Closing Date;
- 10.1.3** if in the reasonable opinion of the Placing Agent, there shall have been, since the date of this Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic

conditions (including any disruption to trading generally, or trading in any securities of the Issuer on any stock exchange or in any over-the-counter market) or currency exchange rates or foreign exchange controls such as would in the Placing Agent's reasonable opinion, be likely to prejudice materially the success of the Placement and distribution of the Bonds or dealings in the Bonds in the secondary market;

10.1.4 if, in the reasonable opinion of the Placing Agent, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, and/or the Stock Exchange; (ii) a suspension (to the extent such suspension is other than in the ordinary course of business of the Issuer) or a material limitation in trading in the Issuer's securities on the Stock Exchange; (iii) a general moratorium on commercial banking activities in the United States, Hong Kong and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, Hong Kong or the United Kingdom; or (iv) a change in taxation affecting the Issuer, the Bonds and the Shares or the transfer thereof, which would in the Placing Agent's reasonable opinion be likely to prejudice materially the success of the Placement and distribution of the Bonds or dealings in the Bonds in the secondary market; or

10.1.5 if, in the reasonable opinion of the Placing Agent, since the date of this Agreement, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in the Placing Agent's reasonable opinion be likely to prejudice materially the success of the Placement and distribution of the Bonds or dealings in the Bonds in the secondary market.

10.2 Consequences of Termination: Upon such notice being given this Agreement shall terminate and be of no further effect and no party shall be under any liability to any other in respect of this Agreement, the Placing Agent shall remain liable under Clause 2.2 and the respective obligations of the parties under Clause 11 which would have continued had the arrangements for the subscription and issue of the Bonds been completed, shall continue.

11 Survival of Representations and Obligations

The representations, warranties, agreements, undertakings and indemnities in this Agreement shall continue in full force and effect despite completion of the arrangements for the subscription and issue of the Bonds or any investigation made by or on behalf of the Placing Agent.

12 Communications

12.1 Addresses: Any communication shall be given by letter or fax,

in the case of notices to the Issuer, to it at:

China Mengniu Dairy Company Limited
32nd Floor
COFCO Tower
262 Gloucester Road

Causeway Bay
Hong Kong

Fax no.: +852 2180 9039
Attention: Chris Kwok

and in the case of notices from the Issuer, to the Placing Agent at:

BOCI Asia Limited

20/F Bank of China Tower
1 Garden Road
Central
Hong Kong

Fax no.: +852 2840 1032
Attention: Head of Debt Capital Markets

- 12.2 Effectiveness:** Any such communication shall take effect, in the case of a letter, at the time of delivery, in the case of fax, at the time of despatch or, in the case of telephone, when made.
- 12.3 Confirmations:** Any communication not by letter shall be confirmed by letter but failure to send or receive the letter of confirmation shall not invalidate the original communication.

13 Currency Indemnity

- 13.1 Currency of Account and Payment:** (in the case of the Placing Agent Fee in respect of the Bonds set out in Clause 8 and payments of damages or judgement debts and/or payments pursuant to the indemnities in Clause 4.3) Hong Kong dollars or U.S. dollars and (in the case of all other payments) the specified currency in the relevant invoice (the "**Contractual Currency**") is the currency of account and payment for all sums payable by the Issuer under or in connection with this Agreement, including damages.
- 13.2 Extent of discharge:** An amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise), by the Placing Agent in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).
- 13.3 Indemnity:** If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under this Agreement, the Issuer will indemnify the Placing Agent against any loss sustained by it as a result. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.
- 13.4 Indemnity separate:** The indemnities in this Clause 13 and in Clause 4.3 constitute separate and independent obligations from the other obligations in this Agreement, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Placing Agent and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement or any other judgment or order.

14 Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

15 Governing Law and Jurisdiction

15.1 Governing law: This Agreement, as to which time shall be of the essence, and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

15.2 Jurisdiction:

15.2.1 The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and accordingly any legal action or proceedings arising out of or in connection with this Agreement (“**Proceedings**”) may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

15.2.2 The Issuer irrevocably agrees to receive service at its usual business address at 32nd Floor, COFCO Tower 262, Gloucester Road, Causeway Bay, Hong Kong. Nothing in this Agreement shall affect the right to serve process in any other manner permitted by law.

16 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

17 Integration

This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Issuer and the Placing Agent with respect to the subject matter hereof.

18 Partial Invalidity

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

SCHEDULE 1
TERMS AND CONDITIONS OF THE BONDS

TERMS AND CONDITIONS OF THE BONDS

The following, subject to amendment and save for the paragraphs in italics, are the Terms and Conditions of the Bonds, substantially as they will appear on the reverse of each of the definitive certificates evidencing the Bonds:

The issue of the HK\$[●] in aggregate principal amount of [●] per cent. convertible bonds due 2026 (the “**Bonds**”, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 (*Further Issues*) and consolidated and forming a single series therewith) of China Mengniu Dairy Company Limited (the “**Issuer**”) and the right of conversion into Shares (as defined in Condition 6(a)(v) (*Meaning of “Shares”*)) was authorised by a resolution of the board of directors of the Issuer passed on [●] 2021. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the “**Trust Deed**”) dated on [●] 2021 (the “**Issue Date**”) made between the Issuer and [●] (the “**Trustee**”, which expression shall include all persons for the time being acting as trustee or trustees under the Trust Deed) as trustee for the holders (as defined below) of the Bonds. These terms and conditions (these “**Conditions**”) include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Issuer has entered into a paying, conversion and transfer agency agreement dated [●] 2021 (as amended and/or supplemented from time to time, the “**Agency Agreement**”) relating to the Bonds made between the Issuer, the Trustee, [●] as principal paying agent and principal conversion agent (collectively in such capacities, the “**Principal Agent**”, which expression shall include any successor principal agent appointed from time to time in connection with the Bonds), [●] as registrar (the “**Registrar**”, which expression shall include any successor registrar appointed from time to time in connection with the Bonds) and transfer agent (the “**Transfer Agent**”, which expression shall include any additional or successor transfer agent appointed from time to time in connection with the Bonds), and the other paying agents, conversion agents and transfer agents appointed therein (each a “**Paying Agent**”, a “**Conversion Agent**” or, as applicable, a “**Transfer Agent**” and together with the Registrar and the Principal Agent, the “**Agents**”). 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 “**Agents**” below are references to the principal agent, the registrar, the transfer agent and the agents for the time being for the Bonds. Unless otherwise defined, terms used in these Conditions have the meaning specified in the Trust Deed.

Copies of the Trust Deed and the Agency Agreement are available for inspection at all reasonable times during usual business hours (being between 9:00 a.m. and 3:00 p.m., Monday to Friday other than public holidays) at the principal office for the time being of the Trustee (being, at the Issue Date at [●]) and at the specified office of the Principal Agent, in each case following prior written request and proof of holding and identity to the satisfaction of the Trustee or, as the case may be, the Principal Agent. The Bondholders (as defined below) are entitled to the benefit of and are bound by all provisions of the Trust Deed and are deemed to have notice of (i) all the provisions of the Trust Deed and (ii) those provisions of the Agency Agreement applicable to them.

All capitalised terms that are not defined in these Conditions will have the meanings given to them in the Trust Deed.

1 Status

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 4(a) (*Negative Pledge*)) 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 applicable law and subject to Condition 4(a) (*Negative Pledge*), at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations.

2 Form, Denomination and Title

- (a) *Form and Denomination:* The Bonds are issued in registered form in the denomination of HK\$10,000 and integral multiples of HK\$10,000 in excess thereof (each, an “**Authorised Denomination**”) without coupons attached. 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 the Global Certificate which will be registered in the name of a nominee of, and deposited with, a common depository for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream”). When the Bonds are represented by a Global Certificate, the Conditions are modified by certain provisions contained in the Global Certificate. See “The Global Certificate”.

- (b) *Title:* Title to the Bonds passes only by transfer and registration in the Register as described in Condition 3 (*Transfers of Bonds; Issue of Certificates*). The holder of any Bond shall (except as otherwise required by law or 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 an endorsed form of transfer) on, or the theft or loss of, the Certificate issued in respect of it) and the Trustee, the Agents and any other person shall not be liable for so treating the holder. In these Conditions, “**Bondholder**” and (in relation to a Bond) “**holder**” mean the person in whose name a Bond is registered (or in the case of a joint holding, the first named thereof).

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 Conditions 3(e) (*Closed Periods*) and 3(f) (*Regulations*) 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 either the Registrar or any of the Transfer Agents together with such evidence as the Registrar or (as the case may be) the relevant Transfer Agent may require to prove the title of the transferor and the authority of the individual(s) who have executed the form of the transfer; provided, however, that a Bond may not be transferred unless the principal amount of the Bond transferred and (where not all of the Bonds held by the holder are being transferred) the principal amount of the

balance of the Bonds not so transferred, is an Authorised Denomination. Where not all Bonds represented by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Bonds will be issued to the transferor. No transfer of a Bond will be valid or effective 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 and procedures of the relevant clearing systems.

- (c) *Delivery of New Certificates:* Each new Certificate to be issued upon a transfer or (if applicable) conversion of Bonds will, within seven business days of receipt by the Registrar or, as the case may be, the relevant Transfer Agent of the original Certificate and the form of transfer duly completed and signed, 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. The Registrar will, within seven business days of receipt by the Registrar or any Transfer Agent of the documents above, register the transfer in question.

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

Where only part of the principal amount 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 to the Registrar or the relevant Transfer Agent, be made available for collection at the specified office of the Registrar or such other relevant 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 (*Transfers of Bonds; Issue of Certificates*) and Condition 6 (*Conversion*), "**business day**" shall mean a day other than a Saturday, Sunday or public holiday on which 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, as the case may be, the specified office of the Conversion Agent with whom a Certificate is deposited in connection with a conversion is located.

- (d) *Formalities Free of Charge:* Registration of a transfer of Bonds and issuance of new Certificates will be effected, without charge to the relevant holder of such Bonds, by or on behalf of the Issuer, the Registrar or any Transfer Agent, but (i) upon payment (or the giving of such indemnity and/or security and/or pre-funding as the Issuer, the Registrar or the relevant Transfer Agent may require) in respect of any tax, duties or other governmental charges which may be levied or imposed in connection with such transfer or issuance, (ii) the Registrar or the relevant Transfer Agent (as the case may be) being satisfied in its absolute discretion with the documents of title or identity of the person making the application and (iii) the Registrar or the relevant Transfer

Agent (as the case may be) being satisfied that the detailed regulations concerning transfer and registration of Bonds referred to in Condition 3(f) (*Regulations*) have been complied with.

- (e) *Closed Periods*: No Bondholder may require the transfer of a Bond to be registered (i) during the period of seven days ending on (and including) the dates for payment of any principal pursuant to these Conditions; (ii) after a Conversion Notice (as defined in Condition 6(b) (*Conversion Procedure*)) has been delivered with respect to such Bond; (iii) after a Relevant Event Redemption Notice (as defined in Condition 8(c) (*Redemption for a Relevant Event*)) has been deposited in respect of such Bond pursuant to Condition 8(c) (*Redemption for a Relevant Event*) or after a put notice has been deposited in respect of such Bond pursuant to Condition 8(b) (*Redemption at the Option of the Bondholders*); and (iv) during the period of seven days ending on (and including) any Interest Record Date (as defined in Condition 7(a) (*Payments*)). Each such period is a “**Closed Period**”.
- (f) *Regulations*: All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer and registration of Bonds, the initial form of which is scheduled to the Agency Agreement. Such regulations may be changed by the Issuer (with the prior written approval of the Registrar and the Trustee) or by the Registrar (with the prior written approval of the Trustee). A copy of the current regulations will be made available for inspection at the specified office of by the Registrar to any Bondholder following written request and with proof of holding and identity to the satisfaction of the Registrar.

4 Covenants

- (a) *Negative Pledge*: For so long as any Bond remains outstanding (as defined in the Trust Deed) and except for any issuance of debt or convertible securities or any other similar transaction by the Issuer for the purpose of providing incentive to the management and/or employees of the Issuer and/or its subsidiaries, the Issuer will not, and the Issuer will ensure that none of its Principal Subsidiaries (other than a Listed Subsidiary) will, create any Encumbrance or permit to exist any Encumbrance to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according the Bonds to either (i) the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or (ii) 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 to use its best endeavours to file or cause to be filed with the National Development and Reform Commission (the “**NDRC**”) the requisite information and documents within 10 PRC Business Days after the Issue Date 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)) issued by the NDRC and which came into effect on 14 September 2015, and any implementation rules as issued by the NDRC from time to time (the “**Post-Issuance Filing**”).
- (c) *Undertakings relating to Foreign Debt Registration and applicable PRC laws*: The Issuer undertakes that it will, if required by the applicable laws and regulations, (i)

within the prescribed time submit or cause to be submitted such application or filing with respect to the Bonds pursuant to the Administrative Measures for Foreign Debt Registration and its operating guidelines (外债登记管理办法及外债登记管理操作指引), the Operational Guidelines for Capital Account Foreign Exchange Operations (资本项目外汇业务操作指引), Administrative Provisions on the Centralized Operation of Cross-border Funds of Multinational Corporations (跨国公司跨境资金集中运营管理规定) or such other applicable rules issued by SAFE or the People's Bank of China (the "**Foreign Debt Registration**"), (ii) use its best endeavours to complete the Foreign Debt Registration on or before the Registration Deadline and (iii) comply with all applicable PRC laws and regulations in relation to the Bonds.

- (d) *Notification of Submission of Post-Issuance Filing and completion of Foreign Debt Registration (if applicable):* The Issuer shall before the Registration Deadline (if applicable) and within 10 PRC Business Days after the later of the submission of the Post-Issuance Filing and the receipt of the registration certificate from SAFE (or any other document evidencing the completion of the Foreign Debt Registration) (if applicable), provide the Trustee with (i) a certificate (substantially in the form scheduled to the Trust Deed) in English signed by two Authorised Signatories of the Issuer confirming the submission of the Post-Issuance Filing and the completion of the Foreign Debt Registration (if applicable); and (ii) copies of the relevant documents evidencing the Post-Issuance Filing (if any) and the Foreign Debt Registration (if applicable), each certified in English by two Authorised Signatories 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 PRC Business Days after the documents comprising the Registration Documents are delivered to the Trustee, give notice to the Bondholders (in accordance with Condition 16 (*Notices*)) confirming the submission of the Post-Issuance Filing and completion of the Foreign Debt Registration (if applicable).

The Trustee shall have no obligation or duty to monitor or ensure that the Post-Issuance Filing is filed with the NDRC or the Foreign Debt Registration (if applicable) is completed within the prescribed timeframe in accordance with these Conditions and/or any other applicable PRC laws and regulations or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the Post-Issuance Filing and/or the Foreign Debt Registration (if applicable) or to give notice to the Bondholders confirming the filing of the Post-Issuance Filing and/or the Foreign Debt Registration (if applicable), and shall not be liable to the Issuer, the Bondholders or any other person for not doing so.

- (e) *Definitions:* In these *Conditions*:
- (i) "**Encumbrance**" means, in relation to the Issuer, a Principal Subsidiary or any other person, any mortgage, charge, lien, pledge or other security interest over the whole or any part of the present or future undertaking, assets or revenues (including any uncalled capital) of the Issuer, that Principal Subsidiary or that person (as applicable);
 - (ii) "**Listed Subsidiary**" means a Subsidiary the common shares of which are listed for trading on any recognised stock exchange;
 - (iii) "**Principal Subsidiary**" means any Subsidiary of the Issuer:

- (A) whose gross assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated gross assets, as shown by its latest audited balance sheet are at least 5 per cent. of the consolidated gross assets of the Issuer and its Subsidiaries as shown by the latest audited consolidated balance sheet of the Issuer and its Subsidiaries including, for the avoidance of doubt, the investment of the Issuer in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Issuer and after adjustment for minority interests; or
- (B) whose revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated revenue, as shown by its latest audited income statement is at least 5 per cent. of the consolidated revenue as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of revenue of Subsidiaries not consolidated and of jointly controlled entities and after adjustment for minority interests; or
- (C) whose net profits or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profits, as shown by its latest audited income statement are at least 5 per cent. of the consolidated net profits as shown by the latest audited consolidated income statement of the Issuer and its Subsidiaries including, for the avoidance of doubt, the Issuer and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustment for minority interests; or
- (D) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that (xx) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Principal Subsidiary and (yy) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Issuer prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (A), (B) or (C) above of this definition;

provided that, in relation to paragraphs (A), (B) or (C) above of this definition:

- (1) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Issuer relate, the reference to the then latest consolidated audited accounts of the Issuer for the purposes of the calculation above shall, until consolidated audited accounts of the Issuer for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are available, be deemed to be a reference to the then latest consolidated audited accounts of the Issuer adjusted to consolidate the latest

audited accounts (consolidated in the of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

- (2) if at any relevant time in relation to the Issuer or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, revenue, net profits or gross assets of the Issuer and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by the Issuer;
- (3) if at any relevant time in relation to any Subsidiary, no accounts are audited, its gross assets, revenue or net profits (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by the Issuer; and
- (4) if the accounts of any subsidiary (not being a Subsidiary referred to in proviso (i) above) are not consolidated with those of the Issuer, then the determination of whether or not such subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Issuer.

A certificate signed by two Authorised Signatories of the Issuer that, in their opinion, a Subsidiary is or is not, or was or was not, a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Bondholders and all parties. The certificate must be accompanied by a report by an internationally recognised firm of accountants addressed to the directors of the Issuer as to proper extraction and basis of the figures used by the Issuer in determining the Principal Subsidiaries of the Issuer and mathematical accuracy of the calculation;

- (iv) **“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;
- (v) **“PRC Business Day”** means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are generally open for business in Beijing, the PRC;
- (vi) **“Registration Deadline”** means the day falling 120 PRC Business Days after the Issue Date;
- (vii) **“Relevant Indebtedness”** means any indebtedness issued outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;
- (viii) **“SAFE”** means the State Administration of Foreign Exchange or its local branch; and
- (ix) 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 [●] at the rate of [●]¹ per cent. per annum payable semi-annually in arrear in equal instalments of HK\$[●] per Calculation Amount (as defined below) on [●] and [●] in each year (each an “**Interest Payment Date**”). If any Interest Payment Date would otherwise fall on a day which is not a business day (as defined in Condition 7 (*Payments*)), it shall be postponed to the next day which is a business day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding business day. Each Bond will cease to bear interest:

- (a) (subject to Condition 6(b)(iv) (*Interest Accrual*)) where the Conversion Right attached to it shall have been exercised by a Bondholder, from and including the relevant Conversion Date (as defined in Condition 6(b)(i) (*Conversion Notice*) below) subject to the conversion of the relevant Bond in accordance with the provisions of Condition 6(b); or
- (b) where such Bond is redeemed or repaid pursuant to Condition 8 (*Redemption, Purchase and Cancellation*) or Condition 10 (*Events of Default*), from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal or premium (if any) is improperly withheld or refused. In such event, such unpaid amount shall bear interest at two per cent. per annum above the interest rate aforesaid (both before and after judgment) until whichever is the earlier of (i) 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 (ii) the day falling 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).

If interest is required to be calculated for a period of less than a complete Interest Period (as defined below), the relevant day-count fraction will be determined on the basis of a 360-day year consisting of twelve months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date, and each such 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**”.

Interest in respect of any Bond shall be calculated per HK\$10,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount

¹ The final rate of interest, being a rate not less than 2% and not more than 4%, will be reflected in the final Terms and Conditions of the Bonds.

for any period shall, save as provided above in relation to equal instalments, be equal to the product of the relevant annual rate of interest, the Calculation Amount and the day-count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 Conversion

(a) Conversion Right

- (i) *Conversion Period*: Subject as hereinafter provided, the Bondholders have the right to convert their Bonds into Shares (as defined in Condition 6(a)(v) (*Meaning of "Shares"*)) at any time during the Conversion Period referred to below.

The right of a Bondholder to convert any Bond into Shares is called the "**Conversion Right**". Subject to and upon compliance with, the provisions of this Condition 6 (*Conversion*), the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, subject to any applicable fiscal or other laws or regulations and as hereinafter provided, (x) at any time in each period from (and including) the 25th Scheduled Trading Day to (and including) the 5th Scheduled Trading Day immediately prior to [*issue date and month*] in each year, beginning in 2022 (but, except as provided in Condition 6(a)(iv) (*Revival and/ or survival after Default*) and Condition 10 (*Events of Default*), in no event thereafter) or (y) if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(b) (*Redemption at the Option of the Bondholders*) or Condition 8(c) (*Redemption for a Relevant Event*) then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice (the "**Conversion Period**").

Notwithstanding the foregoing, if the Conversion Date in respect of a Bond would otherwise fall during a period in which the register of shareholders of the Issuer is closed generally or for the purpose of establishing entitlement to any distribution or other rights attaching to the Shares (a "**Book Closure Period**"), such Conversion Date shall be postponed to the first Stock Exchange Business Day (as defined in Condition 6(b)(i) (*Conversion Notice*)) following the expiry of such Book Closure Period.

If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period or after the relevant redemption date, such Conversion Date shall be deemed to be the final day of such Conversion Period or the relevant redemption date, as the case may be.

The number of Shares to be issued on conversion of a Bond will be determined by dividing the principal amount of the Bond to be converted by the Conversion Price (as defined in Condition 6(a)(iii) (*Conversion Price*) below) in effect on the relevant Conversion Date (as defined in Condition 6(b)(i) (*Conversion Notice*) below). A Conversion Right may only be exercised in respect of one or more Bonds.

- (ii) *Fractions of Shares*: Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. However, if the

Conversion Right in respect of more than one Bond is exercised at any one time 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 24 January 2021 which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay in cash in Hong Kong dollars of 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, aggregated as provided in Condition 6(a)(i) (*Conversion Period*), as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds HK\$100. Any such sum shall be paid by the Issuer not later than five Stock Exchange Business Days after the relevant Conversion Date by transfer to a Hong Kong dollar account maintained by the payee, in accordance with instructions given by the relevant Bondholder in the Conversion Notice.

- (iii) *Conversion Price*: The price at which Shares will be issued upon conversion (the “**Conversion Price**”) will initially be HK\$[34.73]² per Share, but will be subject to adjustment in the manner provided in Condition 6(c) (*Adjustments to Conversion Price*).
- (iv) *Revival and/or survival after Default*: Notwithstanding the provisions of Condition 6(a)(i) (*Conversion Period*), 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 (*Events of Default*), or (C) any Bond is not redeemed on the Maturity Date in accordance with Condition 8(a) (*Maturity*) or the applicable date for redemption in accordance with Condition 8(b) (*Redemption at the Option of the Bondholders*) or Condition 8(c) (*Redemption for a Relevant Event*), 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

² The Conversion Price will be determined in the following manner: (1) initially HK\$34.73 (the “**Initial Conversion Price**”) and (2) on the date falling on the third Trading Day immediately prior to the Issue Date (the “**Reset Date**”), if the Average Market Price is less than HK\$43.41, the Conversion Price will be reset downwards to 80 per cent. of the Average Market Price of a Share on the Reset Date, subject to a floor of HK\$32.80. For the avoidance of doubt, any such adjustment to the Conversion Price shall only be a downward adjustment. The adjusted Conversion Price will be reflected in the final Terms and Conditions of the Bonds.

For the purposes of this footnote:

“**Closing Price**” of the Shares for any Trading Day shall be the price published in the Daily Quotation Sheet published by the Hong Kong Stock Exchange for such day;

“**Average Market Price**” means, in respect of a Share on a particular date, the average of the Closing Prices for one Share for the 60 consecutive Trading Days ending on the Trading Day immediately preceding such date.

“**Trading Day**” means a day when the Hong Kong Stock Exchange is open for the business of dealing in securities, provided that if no Closing Price 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 existed when ascertaining any period of dealing days.

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 and notwithstanding the provisions of Condition 6(a)(i) (*Conversion Period*), any Bond in respect of which the Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date (as defined below) 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.

- (v) *Meaning of "Shares"*: As used in these Conditions, the expression "**Shares**" means ordinary shares with a nominal value of HK\$0.10 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*: To exercise the Conversion Right attaching to any Bond, the holder thereof must complete, execute and deposit at his own expense between 9:00 a.m. and 3:00 p.m. on any business day at the specified office of any Conversion Agent a notice of conversion (a "**Conversion Notice**") in the form (for the time being current) obtainable from the specified office of any Conversion Agent, together with the relevant Certificate and confirmation that any amounts required to be paid by the Bondholder under Condition 6(b)(ii) (*Stamp Duty etc.*) have been so paid or if notice requiring redemption has been given by the holder of such Bond pursuant to Condition 8(b) (*Redemption at the Option of the Bondholders*) or Condition 8(c) (*Redemption for a Relevant Event*), then up to the close of business (at the place aforesaid) on the day prior to the giving of such notice. Conversion Rights shall be exercised subject in each case to any applicable fiscal or other laws or regulations applicable in the jurisdiction in which the specified office of the Conversion Agent to whom the relevant Conversion Notice is delivered is located.

The conversion date in respect of a Bond (the "**Conversion Date**") 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) (*Revival and/or survival after Default*) and Condition 10 (*Events of Default*)) and will be deemed to be the Stock Exchange Business Day immediately following the date of the surrender of the Certificate in respect of such Bond and delivery of such Conversion Notice and, if applicable, any payment to be made or indemnity given under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice deposited outside the hours specified above or on a day which is not a business day at the place of the specified office of the relevant Conversion Agent shall for all purposes be deemed to have been deposited with that Conversion Agent during the hours specified above on the next business day

following such day. Any Bondholder who deposits a Conversion Notice during a Closed Period will not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next business day after the end of the Closed Period, which (if all other conditions to the exchange have been fulfilled) will be the Conversion Date for such Bonds notwithstanding that such date may fall outside the Conversion Period. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal. “**Stock Exchange Business Day**” means any day (other than a Saturday or Sunday) on which The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) or the Alternative Stock Exchange (as defined in Condition 6(c) (*Adjustments to Conversion Price*) below), as the case may be, is open for securities dealing.

- (ii) *Stamp Duty etc.*: A Bondholder delivering a Certificate in respect of a Bond for conversion must pay directly to the relevant tax or other authorities any taxes and capital, stamp, issue, documentary, registration and transfer taxes and duties arising on exercise of the Conversion Right or on conversion (other than any taxes or capital, stamp, issue, documentary, registration and transfer taxes and duties payable in the Cayman Islands and Hong Kong 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 Hong Kong Stock Exchange or the Alternative Stock Exchange on conversion) (such amounts payable by the Bondholder being “**Bondholder Duties**”) and such Bondholder must pay all, if any, taxes and duties arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer will pay all other expenses arising on the issue of Shares on conversion of Bonds (such amounts payable by the Issuer being “**Issuer Duties**”) (the Bondholder Duties and the Issuer Duties being collectively “**Conversion Taxes**”). The Bondholder must declare in the relevant Conversion Notice that any Bondholder Duties payable to the relevant tax or other authorities pursuant to this Condition 6(b)(ii) (*Stamp Duty etc.*) have been paid.

Neither the Trustee nor any Agent is under any obligation to pay any Conversion Taxes or any other amount referred to in this Condition 6(b)(ii) (*Stamp Duty etc.*) or to determine whether a Bondholder is liable to pay or has paid any Bondholder Duties or any taxes and duties payable by such Bondholder arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion or whether the Issuer is liable to pay or has paid any Issuer Duties or any other expenses arising on the issue of Shares on conversion of Bonds or, in any such case, the amounts payable (if any) in connection with or as contemplated by this Condition 6(b)(ii) (*Stamp Duty etc.*).

- (iii) *Registration*: As soon as practicable, and in any event not later than ten Stock Exchange Business Days after the Conversion Date, the Issuer will, in the case of Bonds converted on exercise of the Conversion Right and in respect of which a duly completed Conversion Notice and the relevant Certificate have been delivered and amounts payable by the relevant Bondholder as required by Conditions 6(b)(i) (*Conversion Notice*) and 6(b)(ii) (*Stamp Duty etc.*) have been paid, register the person or persons designated

for the purpose in the Conversion Notice as holder(s) of the relevant number of Shares in the register of shareholders of the Issuer and will, if the relevant 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 (the “**CCASS**”) effective from time to time, take all necessary action to procure that Shares are delivered through the 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 (being, at the time of issue of the Bonds, Computershare Hong Kong Investor Services Limited at 46th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong) and notified to Bondholders in accordance with Condition 16 (*Notices*) 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 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) (*Registration*) will be deemed to satisfy the Issuer’s obligation to pay the principal and premium (if any) on such converted Bonds.

If the Conversion Date in relation to any Bond shall be on or after the record date for any issue, distribution, grant, offer or other event that gives rise to the adjustment of the Conversion Price pursuant to Condition 6(c) (*Adjustments to Conversion Price*) but before the relevant adjustment becomes effective 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 Bonds, 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)(iii) (*Registration*) to the Conversion Date shall be deemed to refer to the date upon which the Retroactive Adjustment becomes effective (notwithstanding that the date upon which it becomes effective falls after the end of the Conversion Period).

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 register of shareholders of the Issuer (the “**Registration Date**”). The Shares issued upon conversion of the Bonds will be fully-paid and in all respects rank *pari passu* with the Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of the Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date.

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)(iii) (*Registration*) 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 below) 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 the Issuer 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.

(iv) *Interest Accrual:* Any interest in respect of a Bond where Conversion Right attached to it shall have been exercised by a Bondholder 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:* Upon the occurrence of any of the following events described below, the Conversion Price will be adjusted 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 (the “**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 for any Scrip Dividend (as defined below in this Condition 6(c) (*Adjustments to Conversion Price*))) and which would not have constituted a Capital Distribution (as defined below in this Condition 6(c) (*Adjustments to Conversion Price*)), 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 (as defined below in this Condition 6(c) (*Adjustments to Conversion Price*)) per Share on the date of announcement of the terms of such Scrip Dividend exceeds the amount of the Relevant Cash Dividend (as defined below in this Condition 6(c) (*Adjustments to Conversion Price*)) or the relevant part thereof and which would not have constituted a Capital 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 issued by way of Scrip Dividend or if a record date is fixed therefor, immediately after such record date.

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

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

where:

- A is the Current Market Price per Share on the date on which the Capital Distribution is first publicly announced; and
- B is the Fair Market Value (as defined below in this Condition 6(c) (*Adjustments to Conversion Price*)) of the portion of the Capital Distribution attributable to one Share.

Such adjustment shall become effective on the date that such Capital Distribution is actually made or paid 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 Capital Distribution is first publicly announced or, if later, the first date on which the Fair Market Value of the relevant Capital Distribution is capable of being determined as provided herein.

In making any calculation pursuant to this Condition 6(c)(3) (*Capital Distributions*), such adjustments (if any) shall be made as an Independent Financial Advisor 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, purchase or otherwise acquire any Shares, in each case at less than 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 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 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) (*Rights Issues of Shares or Options over Shares*) above) 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 shall issue or grant (otherwise than as mentioned in Condition 6(c)(4) (*Rights Issues of Shares or Options over Shares*) above) any options, warrants or other rights (other than the Conversion Rights under the Bonds, which excludes any further bonds issued pursuant to Condition 15 (*Further Issues*)) to subscribe for, purchase or otherwise acquire Shares, in each case at a price per Share which is less than the Current Market Price per Share on the date of the first public announcement of the terms of such 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 or 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 for, purchase or otherwise acquire 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 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 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) (*Other Issues at less than Current Market Price*), if and whenever the Issuer or any of its Subsidiaries (otherwise than as mentioned in Conditions 6(c)(4) (*Rights Issues of Shares or Options over Shares*), 6(c)(5) (*Rights Issues of Other Securities*) or 6(c)(6) (*Issues at less than Current Market Price*)) 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 the Current Market Price per Share 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 Issues at less than Current Market Price*) (other than in accordance with the terms of such securities) so that following such modification the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is reduced and is less than the Current Market Price per Share 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 Financial Advisor considers appropriate (if at all) for any previous adjustment under this Condition 6(c)(8) (*Modification of Rights of Conversion etc.*) or Condition 6(c)(7) (*Other Issues at less than Current Market Price*).

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) (*Rights Issues of Shares or Options over Shares*), 6(c)(5) (*Rights Issues of Other Securities*), 6(c)(6) (*Issues at less than Current Market Price*) or 6(c)(7) (*Other Issues at less than Current Market Price*)), 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(c) (*Adjustments to Conversion Price*), the Issuer shall at its own expense consult an Independent Financial Advisor 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 Financial Advisor such adjustment (if any) shall be made and shall take effect in accordance with such determination. Notwithstanding the foregoing, the per Share value of any such modification 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.

In this Condition 6(c) (*Adjustments to Conversion Price*), where the events or circumstances giving rise to any adjustment pursuant to any of the above adjustments under this Condition 6(c) (*Adjustments to Conversion Price*) 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 (*Conversion*) as may be advised by the Independent Financial Advisor to be in its opinion appropriate to give the intended result.

For the purposes of these Conditions:

“**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, such other recognised stock exchange which is the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in;

“**Capital Distribution**” means (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 thereof under Condition 6(c)(2)(i) (*Capitalisation of Profits or Reserves*) and a Scrip Dividend adjusted for under Condition 6(c)(2)(ii) (*Capitalisation of Profits or Reserves*)); 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 either (A) on that date or (B) 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 (A) or (B), the relevant day is not a Trading Day, the immediately preceding Trading Day;

“**Closing Price**” of the Shares for any Trading Day shall be 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 day;

“**Current Market Price**” means, in respect of a Share on a particular date, the average of the Closing Prices for one Share (being a Share carrying full entitlement to dividend) for the 20 consecutive Trading Days ending on the Trading Day immediately preceding such date; provided that if at any time during the said 20 Trading Day-period the Shares shall have been quoted ex-dividend and during some other part of that period the Shares shall have been quoted cum-dividend then:

- (i) if the Shares to be issued in such circumstances do not rank for the dividend in question, the Closing Price on the dates on which the Shares shall have been quoted cum-dividend 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
- (ii) if the Shares to be issued in such circumstances rank for the dividend in question, the Closing Price on the dates on which the Shares shall have been quoted ex-dividend 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 the Shares on each of the said 20 Trading Days have been quoted cum-dividend in respect of a dividend which has been declared or announced but the Shares to be issued do not rank for that dividend, the Closing Price on each of such dates 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;

“**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 Financial Advisor on the basis of commonly accepted market valuation method and taking into account such factors as it considers appropriate, *provided that* an Independent Financial Advisor will not be required to determine the fair market value where (i) the Capital Distribution is paid in cash, in which case the fair market value of such cash Capital Distribution per Share shall be the amount of such cash Capital 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 Financial Advisor), 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 of this definition, 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;

“Independent Financial Advisor” means an independent financial advisor or financial institution selected and appointed by the Issuer and notified in writing to the Trustee. The Trustee shall not be responsible for or under any obligation to select or appoint an Independent Financial Advisor and in any event the Trustee shall have no responsibility or liability for verifying any calculation, determination, certification, advice or opinion made, given or reached by any Independent Financial Advisor;

“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 on Bloomberg or, if there is no such page, on Reuters or such other information service provider that displays the relevant information 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 any cash dividend specifically declared by the Issuer;

“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 which would not have constituted a Capital Distribution (and for the avoidance of doubt, no adjustment is to be made under Condition 6(c)(3) (*Capital Distributions*) in respect of the amount by which the Current Market Price of the Shares exceeds the Relevant Cash Dividend or the relevant part thereof but without prejudice to any adjustment required in such circumstances to be made under Condition 6(c)(2) (*Capitalisation of Profits or Reserves*));

“Scheduled Trading Day” means a day when the Hong Kong Stock Exchange or, as the case may be an Alternative Stock Exchange is scheduled to be open for the business of dealing in securities, in any case as determined on 24 January 2021; and

“Trading Day” means a day when the Hong Kong Stock Exchange or, as the case may be an Alternative Stock Exchange is open for the business of dealing in securities, *provided that* if no Closing Price 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 existed when ascertaining any period of dealing days.

On any adjustment, the relevant 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 where 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 any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) and in writing to the Trustee and the Principal Agent as soon as practicable after the determination thereof.

Notwithstanding anything to the contrary in these Conditions, the Conversion Price may not be reduced so that, on conversion of Bonds, Shares would fall to be issued at a discount to their nominal value or Shares would be required to be issued in any other circumstances not permitted by applicable laws then in force in the Cayman Islands and Hong Kong.

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) (*Adjustments to Conversion Price*) should be made, and following consultation between the Issuer and an Independent Financial Advisor, a written opinion of such Independent Financial Advisor in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error. 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 Financial Advisor, 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 Financial Advisor to be in its opinion appropriate in order to give such intended result.

No adjustment will be made to the Conversion Price when Shares or any rights or options on other securities are issued, offered or granted to employees (including directors) of the Issuer or any Subsidiary of the Issuer pursuant to any share option, share award, restricted share or employee incentive scheme or plan (and which such scheme or plan is in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") or, if applicable, the listing rules of an Alternative 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 this Condition 6 (*Conversion*)) would result in the total number of Shares which may be issued upon exercise of such Share Scheme Shares/Options granted during any 12-month period up to and including the date of such grant representing, in aggregate, over two 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 two 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 this Condition 6 (*Conversion*).

No adjustment involving an increase in the Conversion Price will be made, except in the case of a consolidation of the Shares as referred to in Condition 6(c)(1) (*Consolidation, Subdivision, Redesignation or Reclassification*).

Neither the Trustee nor any of the Agents shall be under any duty to monitor whether any event or circumstance has happened or exists which may require or lead to an adjustment to be made to the Conversion Price or to make any determination or calculation (or any verification thereof) in connection with the Conversion Price and none of them will be liable or responsible to any Bondholder or any other person for any loss or liability arising from any failure by the Trustee or any Agent to do so or for any delay by the Issuer or any Independent Financial Advisor in making a determination or calculation or any erroneous determination or calculation in connection with the Conversion Price. All adjustments to the Conversion Price under Condition 6(c) (*Adjustments to Conversion Price*) shall be determined by the Issuer and, if applicable, the Independent Financial Advisor and neither the Trustee nor the Agents shall be responsible for verifying, or otherwise liable for, such determinations or for verifying any calculation, certification, advice or opinion in connection with such determinations.

(d) *Undertakings*

The Issuer has undertaken in the Trust Deed, *inter alia*, 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 reasonable 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 attaching to the Bonds on the Hong Kong Stock Exchange, and if the Issuer is unable to obtain or maintain such listing, to use its reasonable 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 select and notify in writing to the Trustee and the Issuer and will forthwith give notice to the Bondholders in accordance with Condition 16 (*Notices*) of the listing or delisting of the Shares (as a class) by any of such stock exchanges;
- (ii) it will pay the expenses of the issue of, and all expenses of obtaining listing for, Shares arising on conversion of the Bonds (save for any Bondholder Duties or other amounts specified in Condition 6(b)(ii) (*Stamp Duty etc.*) as payable by the relevant Bondholder);
- (iii) 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 (and for the avoidance of doubt, shall not restrict the Issuer from repurchasing any Shares on the Hong Kong Stock Exchange in accordance with the Listing Rules and applicable law); and
- (iv) it will use its reasonable endeavours to list and thereafter 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 reasonable endeavours to obtain and maintain a listing on another recognised stock exchange and will forthwith

give notice to the Bondholders in accordance with Condition 16 (*Notices*) and in writing to the Trustee and the Principal Agent of the listing or delisting of the Bonds by any such stock exchange.

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 or distribute or take any action the effect of which would be to reduce the Conversion Price below the nominal value of the Shares of the Issuer,

provided always that the Issuer shall not be prohibited from purchasing its Shares to the full extent permitted by law.

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

(e) *Notice of Change in Conversion Price*

The Issuer shall give notice to the Trustee and the Principal Agent and to the Bondholders in accordance with Condition 16 (*Notices*) 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.

7 Payments

- (a) *Payments:* Payment of principal, premium (if any) and interest, and any other amounts due other than on an Interest Payment Date or pursuant to Condition 6 (*Conversion*) 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 Paying Agents.

Interest on Bonds due on an Interest Payment Date will be paid on the due date for the payment of interest to the holder shown on the Register at the close of business on the fifteenth day before the due date for the payment of interest (the “**Interest Record Date**”). Payments of interest on each Bond will be made by transfer to the registered account of the Bondholder.

So long as the Bonds are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, such payments will be made to the holder of appearing in the Register at the close of the business day (being for this purpose a day on which Euroclear and Clearstream are open for business) before the relevant due date.

- (b) *Registered Accounts:* For the purposes of this Condition, a Bondholder’s “**registered account**” means the Hong Kong dollar account maintained by or on behalf of such Bondholder, details of which appear on the Register at the close of business on the

Interest Record Date, and a Bondholder's "**registered address**" means its address appearing on the Register at that time.

- (c) *Fiscal Laws*: All payments under or in respect of the Bonds are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) if applicable, 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 (*Taxation*)) any law implementing an intergovernmental approach thereto (any such withholding or deduction in this Condition 7(c) (*Fiscal Laws*), a "**FATCA Withholding**"). For avoidance of doubt, neither the Issuer, the Trustee and the Agents nor any other person will be required to pay any additional amounts in respect of FATCA Withholding. No commissions or expenses shall be charged to the Bondholders in respect of such payments.
- (d) *Payment Initiation*: Payment instructions (for value on the due date or, if that is not a business day (as defined below in Condition 7(f) (*Business Day*)), for value on the first following day which is a business day) will be initiated on the due date for payment (or, if that date is not a business day, on the first following day which is a business day) or, in the case of a payment of principal, if later, on the business day on which the relevant Certificate is surrendered at the specified office of an Agent.
- (e) *Delay In Payment*: 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 business day or if the Bondholder is late in surrendering its Certificate (if required to do so).
- (f) *Business Day*: In this Condition 7 (*Payments*), "**business day**" means a day other than a Saturday, Sunday or public holiday on which commercial banks are generally 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 city in which the specified office of the relevant Paying Agent whom a Certificate is surrendered for payment is located. 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.
- (g) *Rounding*: When making payments to Bondholders, fraction of one cent will be rounded to the nearest cent (half a cent being rounded upwards).

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 [●] 2026 (the "**Maturity Date**"). The Issuer may not redeem the Bonds at its option prior to that date (but without prejudice to Condition 10 (*Events of Default*)).
- (b) *Redemption at the Option of the Bondholders*: The Issuer will, at the option of the holder of any Bond, redeem all or some only of such holder's Bonds on the 5th Scheduled Trading Day immediately prior to [*Issue date and month*] of each year, beginning on [●] 2022 (each, a "**Put Option Date**") at their principal amount, together

with interest accrued but unpaid up to but excluding such Put Option Date. To exercise such option, the holder must deposit at the specified office of any Paying Agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of any Paying Agent, together with the Certificate evidencing the Bonds to be redeemed, not more than 60 days and not less than 30 days prior to each Put Option Date.

A put notice, once delivered, shall be irrevocable (and may not be withdrawn unless the Issuer consents in writing to such withdrawal) and the Issuer shall redeem the Bonds the subject of the put notices delivered as aforesaid on each Put Option Date.

- (c) *Redemption for a Relevant Event:* Following the occurrence of a Relevant Event (as defined below in this Condition 8(c) (*Redemption for a Relevant Event*)), 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 Redemption Date (as defined below in this Condition 8(c) (*Redemption for a Relevant Event*)) at their principal amount, together with interest accrued but unpaid up to but excluding such date (if any). To exercise such right, the holder of the relevant Bond must deposit 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 from the specified office of any Paying Agent, specifying the number of Bonds to be redeemed and the Relevant Event that has occurred (a "**Relevant Event Redemption 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 16 (*Notices*). The "**Relevant Event Redemption Date**" shall be the 14th day after the expiry of such period of [●]³ days as referred to above in this Condition 8(c) (*Redemption for a Relevant Event*).

A Relevant Event Redemption Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent and the Issuer shall redeem the Bonds the subject of the Relevant Event Redemption Notice as aforesaid on the Relevant Event Redemption Date. The Issuer shall give notice to the Trustee and the Principal Agent in writing and to the Bondholders in accordance with Condition 16 (*Notices*) 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 the Bondholders of their rights to require redemption of the Bonds pursuant to this Condition 8(c) (*Redemption for a Relevant Event*) and shall give brief details of the Relevant Event.

Neither the Trustee nor any of the Agents shall be required to monitor or 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 each of them shall be entitled to assume that no such event has occurred until it have received written notice to the contrary from the Issuer. The Trustee and the Agents shall not be required to take any steps to ascertain whether the condition for the exercise of the rights in accordance with this Condition 8(c) (*Redemption for a Relevant Event*) has occurred. Neither the Trustee nor any of the Agents shall be responsible for determining or verifying whether a Bond is to be accepted for redemption under this Condition 8(c)

³ The final period, being not less than 15 days and not more than 20 days, will be reflected in the final Terms and Conditions of the Bonds.

(*Redemption for a Relevant Event*) and none of them will be responsible to the Issuer, any Bondholder or any other person for any loss or liability arising from any failure by any of them to do so. Neither the Trustee nor any of the Agents shall be under any duty to determine, calculate or verify the redemption amount payable under this Condition 8(c) (*Redemption for a Relevant Event*) and none of them will be responsible or liable to any Bondholder or any other person for any loss or liability arising from any failure by it to do so.

For the purposes of this Condition 8(c) (*Redemption for a Relevant Event*):

An “**Affiliate**” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control of more than 50 per cent. with such specified Person;

“**Bid Price**” means, in respect of any day, the bid price per minimum denomination in principal amount of the Reference Bonds quoted by a Leading Institution for the purchase by that Leading Institution of such amount as at or around 5.00 p.m. (Hong Kong) on such day;

“**Control**” means (i) the ownership or control of more than 50 per cent. of the Voting Rights of the issued share capital of a person or (ii) the possession, directly or indirectly, of the power to nominate or designate more than 50 per cent. of the members then in office of a person’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, contracts or otherwise;

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

- (i) COFCO Corporation (“**COFCO**”) ceases to directly or indirectly be interested in not less than 15 per cent. of the issued share capital of the Issuer; or
- (ii) COFCO ceases to be the largest direct or indirect holder of the issued share capital of the Issuer; or
- (iii) any Person or Persons (other than Permitted Holders) acting together acquires Control of the Issuer; or the Issuer consolidates with or merges into or sells or transfers all or substantially all of the Issuer’s assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control of the Issuer or the successor entity;

“**Leading Institution**” means any bank or financial institution which is a leading, internationally recognised market maker in trading debt securities;

“**Permitted Holders**” means COFCO and any of its Affiliates;

“**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) but does not include the Issuer’s directors or any other governing board and does not include the Issuer’s wholly-owned direct or indirect Subsidiaries;

“**Quote**” means, in respect of any Reference Bond and on any Trading day, as determined by any Bondholder:

- (i) the arithmetic average of the Bid Prices in respect of that Trading Day provided to such Bondholder in respect of that Trading Day by three Leading Institutions selected by such Bondholder; or
- (ii) where only two of the three Leading Institutions so selected provide such a Bid Price in respect of that Trading Day, the arithmetic average of the two Bid Prices so provided; or
- (iii) where only one of the three Leading Institutions so selected provides such a Bid Price in respect of that Trading Day, the Bid Price so provided,

provided that in each case if, in the opinion of such Bondholder, one or more of the Bid Prices so provided is materially different from the actual traded prices of the Bonds, such Bid Price shall be disregarded and shall be deemed not to have been so provided, and provided further that where no Bid Price is so provided in respect of that Trading Day, it shall be deemed that no Quote for the Reference Bonds is available in respect of that Trading Day;

“Rating Agencies” means (1) Standard & Poor Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors (“**S&P**”) and (2) Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors (“**Moody’s**”);

“Rating Category” means (1) with respect to S&P, any of the following categories: “AAA”, “AA”, “A”, “BBB”, “BB”, “B”, “CCC”, “CC”, “C” and “D” (or equivalent successor categories) and (2) with respect to Moody’s, any of the following categories: of “Aaa”, “Aa”, “A”, “Baa”, “Ba”, “B”, “Caa”, “Ca”, “C” and “D” (or equivalent successor categories). In determining whether the rating of the Issuer has decreased by one or more gradations, gradations within Rating Categories (“+” and “-” for S&P and “1”, “2” and “3” for Moody’s) shall be taken into account (e.g., with respect to S&P, a decline in a rating from “BB+” to “BB”, as well as from “BB-” to “B+”, will constitute a decrease of one gradation);

“Rating Decline” occurs when:

- (i) the rating of the Issuer is or has been decreased by three or more gradations (including gradations within Rating Categories as well as between Rating Categories) from BBB+ by S&P;
- (i) the rating of the Issuer is or has been decreased by three or more gradations (including gradations within Rating Categories as well as between Rating Categories) from Baa1 by Moody’s; or
- (ii) any one of the Rating Agencies publicly announces the withdrawal of its ratings of the Issuer;

“Reference Bond” means [●]⁴ as at the Issue Date and any other Replacement Security as determined in accordance with Condition 8(g);

“Reference Share Price” means the Closing Price of the Shares on the Issue Date;

a **“Relevant Event”** occurs:

⁴ The Reference Bond will be a publicly traded debt security issued by the Issuer, denominated in US dollars, ranking pari passu with the Bonds and which accrues interest at a fixed rate. The Reference Bond will be determined prior to the Issue Date.

- (i) when the Shares cease to be listed or admitted to trading or are suspended for trading for a period equal to or exceeding 30 consecutive Trading Days on the Hong Kong Stock Exchange or, if applicable, the Alternative Stock Exchange (a “**Delisting**”);
- (ii) when the Current Market Price of a Share is, on any date of determination, less than [●]⁵ per cent. of the Reference Share Price;
- (iii) when the Quote for the Reference Bond is, on any date of determination, less than [●]⁶ per cent. of an amount equal to 100 per cent. of the minimum denomination of principal amount of the Reference Bond;
- (iv) when there is a Change of Control; or
- (v) when there is a Rating Decline.

“**Voting Rights**” means the right generally to vote at a general meeting of shareholders of a person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency, an any such power shall therefore be excluded for the purpose of this definition);

- (d) *Purchase*: Each of the Issuer and any of its Subsidiaries may at any time and from time to time purchase Bonds at any price in the open market or otherwise. The Bonds so purchased, while held by or on behalf of the Issuer and/or any of its Subsidiaries, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for certain purposes, including without limitation for the purpose of calculating quorums at meetings of the Bondholders or for the purposes of Condition 10 (*Events of Default*), Condition 12 (*Enforcement*) and Condition 13(a) (*Meetings*).
- (e) *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.
- (f) *Redemption Notices*: If more than one notice of redemption is given (being a notice given by a Bondholder pursuant to this Condition 8 (*Redemption, Purchase and Cancellation*)), 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.

Neither the Trustee nor the Agents shall be responsible for determining or verifying whether a Bond is to be accepted for redemption under this Condition 8 (*Redemption, Purchase and Cancellation*) and none of them will be responsible to Bondholders or any other person for any loss or liability arising from any failure by them to do so. Neither the Trustee nor the Agents shall be under any duty to determine, calculate or verify the redemption amount payable under these

⁵ The final figure, being not less than 30% and not more than 60%, will be reflected in the final Terms and Conditions of the Bonds.

⁶ The final figure, being not less than 60% and not more than 85%, will be reflected in the final Terms and Conditions of the Bonds.

Conditions, and none of them will be liable or responsible to any Bondholder or any other person for any loss or liability arising from any failure by any of them to do so.

- (g) *Reference Bond*: If the Reference Bond for the time being has been redeemed, cancelled or otherwise ceases to exist (a “**Reference Bond Extinction Event**”), the Issuer shall notify the Bondholders in accordance with Condition 16 (*Notices*) by the 10th calendar day after the Reference Bond Extinction Event together with details of a replacement security (a “**Replacement Security**”) to substitute the then current Reference Bond, and such Replacement Security shall be approved by way of an Extraordinary Resolution following which references to “Reference Bond” in these Conditions shall be to the Replacement Security on and from the date of such Extraordinary Resolution.

The Replacement Security shall be a publicly traded debt security comparable to the then current Reference Bond, and shall be issued by the Issuer, denominated in US dollars, ranking pari passu with the Bonds and accrue interest at a fixed rate.

The Issuer shall convene a meeting of the Bondholders (a “**Replacement Security Meeting**”) as soon as practicable and by no later than the date falling 30 days after the Reference Bond Extinction Event (the end of such period being the “**Meeting Deadline**”) for the purposes of obtaining the approval of the Bondholders to replace the Reference Bond with the Replacement Security.

No Replacement Security Meeting shall be required to be convened if, prior to the expiry of the Meeting Deadline, an Extraordinary Resolution has been passed by the Bondholders to approve a Replacement Security which is acceptable to the Issuer.

9 Taxation

All payments of principal and interest made by the Issuer under or in respect of the Bonds, the Trust Deed or the Agency Agreement will 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 or levied, collected, withheld or assessed by or on behalf of the Cayman Islands, Hong Kong or the PRC or, in any such case, any authority thereof or therein having power to tax, unless deduction or withholding of such taxes, duties, assessments or governmental charges is compelled 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 24 January 2021 (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 (a) by or within the PRC in excess of the Applicable Rate, or (b) by or within the Cayman Islands or Hong Kong, the Issuer will pay such additional amounts (the “**Additional Tax Amounts**”) as will result in the receipt by the Bondholders of the net amounts after such deduction or withholding equal to the amounts which would otherwise have been receivable 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, Hong Kong or the PRC otherwise than merely by holding 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 would have been entitled to such Additional Tax Amount on surrendering the relevant Certificate for payment on the last day of such period of 30 days.

For the purposes of these Conditions, “**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, premium (if any), interest and any other amount payable in respect of the Bonds shall be deemed also to refer to any additional amounts which may be payable under this Condition 9 (*Taxation*) or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed.

10 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 in either case to being indemnified and/or secured and/or pre-funded 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 any premium and accrued but unpaid interest (if any) 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 (*Conversion*)) if:

- (a) *Non-Payment*: there is failure to pay (i) the principal of or any premium on any of the Bonds when due or (ii) any interest on any of the Bonds within 21 days of the due date;
- (b) *Breach of Other Obligations*: the Issuer does not perform or comply with one or more of its other obligations in the Bonds or the Trust Deed which default is incapable of remedy or, if capable of remedy, is not remedied within 30 days after written notice of such default shall have been given to the Issuer by the Trustee;
- (c) *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 and such failure continues for a period of seven days;
- (d) *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), or (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, unless payment is made within the applicable grace period, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that no event described in this Condition 10(d) (*Cross-Default*) shall constitute an Event of Default unless 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(d) (*Cross-Default*) have occurred at any time equals or exceeds (either individually or in aggregate) U.S.\$100,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this paragraph operates);

- (e) *Enforcement Proceedings*: a distress, attachment, execution after final judgment by a court of competent jurisdiction or other legal process is levied, enforced or sued out on or against any substantial part of the property, assets or revenues of the Issuer or any of its Principal Subsidiaries and is not discharged or stayed within 30 days;
- (f) *Security Enforced*: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries over a substantial part of the assets of the Issuer or the relevant Principal Subsidiaries, as the case may be, becomes enforceable pursuant to a final judgment by a court of competent jurisdiction and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and such judgment is not discharged within 45 days, provided that no event described in this Condition 10(f) (*Security Enforced*) shall constitute an Event of Default unless the aggregate amount of the relevant assets in respect of which one or more of the events mentioned above in this Condition 10(f) (*Security Enforced*) have occurred at any time equals or exceeds (either individually or in aggregate) U.S.\$5,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 10(f) (*Security Enforced*) operates);
- (g) *Insolvency*: the Issuer or any of its Principal Subsidiaries is (or is, or could be, deemed by law or a court of competent jurisdiction 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 a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of the Issuer or any of its Principal Subsidiaries;
- (h) *Winding-up*: an order is made by any court of competent jurisdiction or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Principal Subsidiaries, or the Issuer 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 (i) on terms approved by an Extraordinary Resolution of the Bondholders, or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Principal Subsidiaries on a pro rata basis in accordance with such Principal Subsidiary's shareholding;

- (i) *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;
- (j) *Illegality*: it is or will become unlawful for the Issuer to perform or comply with any one or more of its material obligations under any of the Bonds or the Trust Deed; or
- (k) *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) (*Non-Payment of principal or premium*) to 10(j) (*Illegality*) (both inclusive).

Neither the Trustee nor any of the Agents shall be responsible for the performance by the Issuer and 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 the Trustee and the Agents need not do anything to ascertain or monitor whether a Potential Event of Default or an Event of Default has occurred or is continuing and none of them will be responsible or liable to the Issuer, any Bondholder or any other person for any loss or liability arising from any failure by any of them to do so, and unless the Trustee or such an Agent (as the case may be) has received written notice from the Issuer to the contrary, the Trustee and each Agent shall be entitled to assume that the Issuer and each other person appointed by the Issuer in relation to the Bonds is duly performing its duties and obligations in respect of the same.

For the purposes of this Condition 10 (*Events of Default*), “**business day**” means a day other than a Saturday, Sunday or public holiday on which commercial banks are generally open for business in Hong Kong.

11 Prescription

Claims in respect of amounts due in respect of the Bonds will become prescribed and void unless made within 10 years (in the case of principal or other sums payable hereunder) and five years (in the case of interest) from the relevant date (as defined in Condition 9 (*Taxation*)) in respect thereof.

12 Enforcement

At any time after the Bonds have become due and repayable, the Trustee may, at its discretion and without further notice, take such actions and/or steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Bonds and to enforce the provisions of the Trust Deed, but it will not be bound to take any such actions and/or steps and/or institute any such proceedings unless (a) it shall have been so requested in writing by the holders of not less than 25 per cent. in principal amount of the Bonds then outstanding or shall have been so directed by an Extraordinary Resolution of the Bondholders and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder will be entitled to proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable period and such failure shall be continuing.

13 Meetings of Bondholders, Modification and Waiver

- (a) *Meetings:* The Trust Deed contains provisions for convening meetings of Bondholders (and for passing resolutions by Electronic Consent (as defined in the Trust Deed)) to consider any matter affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of the Bonds or the provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee if it receives a written request from Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and is indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum at any such meeting for passing 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 so held or represented unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the due date for any payment in respect of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the amount of principal, premium or interest or Equivalent Amount payable in respect of the Bonds or changing the method of calculation of interest, (iii) to change the currency of payment of the Bonds, (iv) to modify (except by a unilateral and unconditional reduction in the Conversion Price) or cancel the Conversion Rights, or (v) 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 for passing an Extraordinary Resolution will be two or more persons holding or representing not less than 66 per cent., or at any adjourned such meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. An Extraordinary Resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. The Trust Deed provides that (A) 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 or (B) passed by Electronic Consent (as defined in the Trust Deed) shall, in any such case, be as valid and effective as a duly passed Extraordinary Resolution. 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 to, without the consent of the Bondholders, (i) any modification (except as mentioned in the Trust Deed) to, or any waiver or authorisation of any breach or proposed breach of, any of these Conditions or any of the provisions of the Trust Deed and the Agency Agreement, provided that such modification, waiver or authorisation is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders, or (ii) any modification to any of these Conditions or any of the provisions of the Trust Deed and the Agency Agreement that is, in the opinion of the Trustee, of a formal, minor or technical nature or to correct a manifest error or to comply with any mandatory provisions of applicable law. The Trustee may (but shall not be obliged to), without the consent of the Bondholders, determine any Event of Default or a Potential Event of Default 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 agrees otherwise, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders promptly in accordance with Condition 16 (*Notices*).

- (c) *Directions from Bondholders*: Neither the Trustee nor the Agents shall be liable to the Issuer, any Bondholder or any other person for any action taken by the Trustee or such Agent in accordance with any instruction, direction, request or resolution of the Bondholders. The Trustee shall be entitled to rely conclusively on any instruction, direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed.

Whenever the Trustee is required or entitled by the terms of the Trust Deed or these Conditions to exercise any discretion, right or power, take any action, make any decision or give any direction, the Trustee is entitled, prior to its exercising any such discretion, right or power, taking 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 is not responsible for any loss or liability incurred by the Issuer, any Bondholder or any other person as a result of any delay in it exercising such discretion, right or power, taking such action, making such decision, or giving such direction where the Trustee is seeking such directions or in the event that such directions are not being given. The Trustee shall not be under any obligation to monitor compliance of any person with the provisions of the Trust Deed, the Agency Agreement or these Conditions.

14 Replacement of Certificates

If any Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the specified office of the Registrar upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence (including proof of holding and identity to the satisfaction of the Registrar) and such indemnity, security and/or pre-funding as the Issuer and/or the Registrar may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15 Further Issues

The Issuer may from time to time, without the consent of the Bondholders, create and issue further bonds 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 complying with the requirements set out in these Conditions in relation to the Post-Issuance Filing) and so that such further issue shall be consolidated and form a single series with the Bonds. Such further bonds shall be constituted by a deed supplemental to the Trust Deed.

16 Notices

All notices to Bondholders shall be validly given if mailed to them at their respective addresses in the Register maintained by the Registrar or published in a leading newspaper having general circulation in Asia (which is expected to be the Asian Wall Street Journal). Any such notice shall be deemed to have been given on the later of the date(s) of such publication(s) and the second day after being so mailed, as the case may be.

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

17 Agents

The names of the initial Agents and their specified offices are set out below. The Issuer reserves the right, at any time to vary or terminate the appointment of any Agent and to appoint any additional or replacement Agent. The Issuer will at all times maintain (a) a Principal Agent and (b) a Registrar which will maintain the Register outside Hong Kong and the United Kingdom. Notice of any such termination or appointment, of any changes in the specified offices of any Agent and of any change in the identity of any Agent will be given promptly by the Issuer to the Bondholders.

18 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification, of the Trustee and for its relief from responsibility, including without limitation provisions relieving it from taking actions or proceedings to enforce repayment unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trustee is entitled to (a) enter into business transactions with the Issuer and any entity related (directly or indirectly) to the Issuer and to act as trustee, agent, depositary and/or custodian for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and any entity related (directly or indirectly) to the Issuer, (b) exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders, and (c) retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

The Trustee may rely conclusively and without liability to Bondholders, the Issuer or any other person on any report, confirmation, certificate, opinion or advice of any accountants, auditors, 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 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, certificate, opinion or advice, in which case such report, confirmation, certificate, opinion or advice shall be binding on the Issuer and the Bondholders.

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 or liability for the same and each Bondholder shall not rely on the Trustee in respect thereof.

19 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999 except as contemplated in Condition 12 (*Enforcement*) and to the extent expressly provided for.

20 Governing Law and Submission to Jurisdiction

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

The Issuer irrevocably agrees that the courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Bonds) and that accordingly submits to the jurisdiction of the Hong Kong courts. The Issuer waives any objection to the courts of Hong Kong on the grounds that they are an inconvenient or inappropriate forum.

SCHEDULE 2 SELLING RESTRICTIONS

- 1 General:** Neither the Issuer nor the Placing Agent makes any representation that any action will be taken in any jurisdiction by the Placing Agent or the Issuer that would permit a public offering of the Bonds, or possession or distribution of the Offering Circular or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required.
- 2 United States:** The Bonds and the New Shares to be issued upon conversion of the Bonds have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Placing Agent represents and warrants that it has not offered or sold, and agrees that it will not offer or sell, any Bonds constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds or the New Shares to be issued upon conversion of the Bonds. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.
- 3 Prohibition of Sales to EEA Retail Investors:** The Placing Agent represents and agrees that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the placement contemplated by the Offering Circular in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

 - (a) the expression “**retail investor**” means a person who is one (or more) of the following:

 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or
 - (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.
- 4 Prohibition of Sales to UK Retail Investors:** The Placing Agent represents and agrees that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds which are the subject of the offering contemplated by the Offering Circular to any retail investor in the United Kingdom. For the purposes of this provision:

 - (a) the expression “**retail investor**” means a person who is one (or more) of the following:

 - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or
 - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made

under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

5 United Kingdom: The Placing Agent represents, warrants and agrees that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”)) received by it in connection with the issue or sale of the Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

6 Hong Kong: The Placing Agent represents and agrees that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMPO)**”) or which do not constitute an offer to the public within the meaning of the C(WUMPO); and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

7 People’s Republic of China: The Placing Agent represents, warrants and agrees that the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People’s Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People’s Republic of China.

8 Singapore: The Placing Agent acknowledges that the Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Placing Agent represents and agrees that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, the Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in

Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

- 9 Japan:** The Placing Agent acknowledges that the Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). Accordingly, the Placing Agent represents and agrees that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.
- 10 Cayman Islands:** No offer of the Bonds will be made directly or indirectly to the public in Cayman Islands.

SCHEDULE 3
FORM OF CERTIFICATE CONFIRMING NO MATERIAL ADVERSE CHANGE

[ON THE LETTERHEAD OF THE ISSUER]

To:

BOCI ASIA LIMITED
20/F Bank of China Tower
1 Garden Road
Central
Hong Kong

[CLOSING DATE]

Dear Sirs

**PLACING AGENCY AGREEMENT RELATING TO PLACEMENT OF HK\$[•] [•] PER CENT.
CONVERTIBLE BONDS DUE 2026**

Pursuant to the Placing Agency Agreement dated 24 January 2021 (the “**Agreement**”) made between China Mengniu Dairy Company Limited (the “**Issuer**”), and yourself as the Placing Agent, I hereby confirm, on behalf of the Issuer, that as at today’s date (i) the representations and warranties of the Issuer set forth in the Agreement are true, accurate and correct at, and as if made on, today’s date; and (ii) the Issuer has performed all of its obligations under the Agreement to be performed on or before today’s date.

Yours faithfully

For and on behalf of
CHINA MENGNIU DAIRY COMPANY LIMITED

[Name]
Director/[Title of authorised officer]

SCHEDULE 4
FORM OF CERTIFICATE CONFIRMING NO DEFAULT

[ON THE LETTERHEAD OF THE ISSUER]

To:

BOCI ASIA LIMITED
20/F Bank of China Tower
1 Garden Road
Central
Hong Kong

[CLOSING DATE]

Dear Sirs

**PLACING AGENCY AGREEMENT RELATING TO PLACEMENT OF HK\$[•] [•] PER CENT.
CONVERTIBLE BONDS DUE 2026**

Pursuant to the Placing Agency Agreement dated 24 January 2021 (the “**Agreement**”) made between China Mengniu Dairy Company Limited (the “**Issuer**”) and yourself as Placing Agent, I hereby confirm, on behalf of the Issuer, that as at today’s date, neither the Issuer nor any of its subsidiaries is in breach of or in default (nor has any event occurred which, with the giving of notice and/or the passage of time and/or the fulfilment of any other requirement would result in a default by the Issuer or any of their respective subsidiaries) under the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or to which their respective properties are bound, except for any such breach/default or potential breach/default that would not, individually or in aggregate, have a Material Adverse Effect.

Unless the context otherwise requires, terms defined in the Agreement shall have the same meanings in this certificate.

Yours faithfully

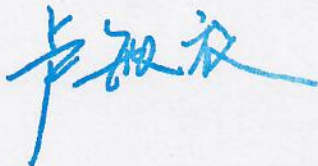
For and on behalf of
CHINA MENGNIU DAIRY COMPANY LIMITED

[Name]
Director/[Title of authorised officer]

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

CHINA MENGNIU DAIRY COMPANY LIMITED

By:

A handwritten signature in blue ink, consisting of stylized Chinese characters, positioned to the right of the word 'By:'.

BOCI ASIA LIMITED

By:

A handwritten signature in black ink, appearing to read "Q. Renwick", with a long horizontal stroke extending to the right.