

PRESS RELEASE

European TopSoho S.à r.l.

€250 million 4% secured guaranteed bonds due 2021 exchangeable into shares of SMCP S.A. (ISIN XS1882680645)

Luxembourg, 17 June 2021 – European TopSoho S.à r.l. (the "**Company**") and, together with its holding companies and subsidiaries, the "**Group**") announces information in relation to its €250 million 4% secured guaranteed bonds due 2021, exchangeable into shares of SMCP S.A. (ISIN XS1882680645) (the "**Bonds**").

Reference is made to (1) the trust deed dated 21 September 2018 between the Company, the Guarantor and BNP Paribas Trust Corporation UK Limited relating to the Bonds (the "**Trust Deed**"); and (2) the announcements of the Company dated 18 January 2021 and 8 March 2021 (the "**Announcements**"). Unless otherwise defined, capitalised terms in this announcement will have the same meaning as those defined in the Trust Deed and the Announcements, as applicable.

Recent Events

Further to the Announcement of the Company dated 8 March 2021, the Company, together with its advisers, has been engaged in on-going dialogue with the Ad Hoc Group and its advisers with respect to implementation of the Proposed Transaction referred to in such Announcement.

The Company is pleased to announce that it has agreed with the Ad Hoc Group and its advisers the implementation of the Proposed Transaction. However, as the Company was not able to satisfy the necessary conditions for the Proposed Transaction in a timely manner, the terms agreed with the Ad Hoc Group differ in certain respects to the summary terms provided in the Announcement dated 8 March 2021.

A summary of the terms agreed with the Ad Hoc Group in respect of the Bonds is therefore set out below. These terms have been implemented by way of an Extraordinary Resolution by way of written resolution passed on 17 June 2021 pursuant to the Conditions of the Bonds (the "**Extraordinary Resolution**") and are immediately effective (referred to herein as the "**Transaction**").

Summary of the Transaction

The Transaction includes amendments to the Conditions, the Trust Deed and certain other documentation in connection with the Bonds and the entry into of documentation ancillary thereto. A copy of the supplemental trust deed dated 17 June 2021 entered into for the purposes of implementing the Transaction is appended to this announcement (the "**Supplemental Trust Deed**").

The summary terms of the Transaction are as follows, which is qualified in its entirety by reference to the contents of the Supplemental Trust Deed:

Certain undertakings by the Company

Certain undertakings by the Company have been provided, including (i) to prohibit dividends and other specified payments by the Company, (ii) to maintain its centre of main interest (as that term is used in Article 3(1) of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast)) in Luxembourg, (iii) to publish its audited financial statements for the 2020 financial year by no later than 30 June 2021, (iv) to pay certain costs and expenses incurred in connection with the

Transaction, (v) to promptly notify the Trustee if any other security interest is granted in respect of the Shares which are held by the Company but which are not already subject to the security constituted by the Trust Deed and (vi) upon the election of the Bondholders holding in excess of one half in principal amount of the Bonds, to provide periodic updates on the refinancing process for the Bonds.

In addition, the Company has confirmed that all SMCP shares that it holds which do not comprise part of the security for the Bonds are not otherwise subject to any mortgage, charge, pledge, lien, encumbrance or other security interest securing the obligation of, or any declaration of trust in favour of, any person, or any other agreement or arrangement having a similar effect

Disapplication of Events of Default and certain other provisions insofar as they relate to the Guarantor

The Guarantor will remain the sole guarantor under the Bonds, but (1) the Events of Default listed at Conditions 14(a)(i) to 14(a)(v) of the Trust Deed have been amended such that certain circumstances affecting and/or relevant to the Guarantor will not result in an Event of Default under the Bonds; and (2) certain other covenants in the Trust Deed shall be disappplied insofar as they relate to the Guarantor.

If the Guarantor is subject to an insolvency or similar event, the Trustee may, among other things, declare that an amount equal to all amounts that are or would be payable in respect of the Bonds and the Trust Deed by the Company if a Default Notice had been delivered or the Bonds otherwise became automatically due and payable shall be immediately due and payable by the Guarantor as a principal obligor and prove in such insolvency or similar event as a creditor in respect of such amount, however, none of the foregoing will entitle the Trustee to declare that the Bonds have become immediately due and payable, or otherwise issue a Default Notice or give rise to an Event of Default, and all amounts actually recovered from the Guarantor further to the carrying out of any such action shall be applied by the Trustee in accordance with Clause 7 of the Trust Deed.

Ad Hoc Group Transaction Payment and Deferred Fee

If the Bonds have not been repaid or redeemed or otherwise purchased and cancelled, in each case in full, on or prior to the date falling five Business Days after the Maturity Date, the Company shall pay (or procure the payment of) (i) to the Ad Hoc Group, an amount of EUR 5,000,000 and (ii) to all Bondholders, an amount equal to 2 per cent. of the principal amount of the Bonds then outstanding.

Waivers of defaults and withdrawal of outstanding Default Notices

Any alleged and/or actual Events of Default and Potential Events of Default, which may have arisen in respect of the circumstances set out in Clause 7(a) of the Supplemental Trust Deed, have been waived. All outstanding Default Notices shall be withdrawn and the Trustee shall take such reasonable further steps and notify such further parties as are required to give effect to such withdrawal.

Appointment of GLAS SAS (London Branch) as Trustee

The Company has agreed to recognise the appointment of GLAS SAS (London Branch) as trustee under the Bonds.

The Company notes that GLAS SAS (London Branch), acting on the instructions of the Ad Hoc Group, has filed proceedings against the Company and the guarantor of the Bonds in the High Court of Justice in England to seek declaratory relief that it has been validly appointed as trustee under

the Trust Deed. As part of the agreement reached between the Company and the Ad Hoc Group, GLAS SAS (London Branch) has agreed to discontinue those proceedings.

New Company call option and extension of permitted indebtedness

The Company shall be permitted to redeem the Bonds in advance of the Maturity Date, subject to prior notice, at the Early Redemption Settlement Amount. The scope of indebtedness which is permitted to be incurred for the purposes of refinancing the Bonds will be broadened.

Subordinated Indebtedness of the Company and related matters

The Company shall be permitted to incur subordinated indebtedness, as defined in Clause 4.6(c) of the Supplemental Trust Deed. Further to the foregoing, GLAS SAS (London Branch) as Trustee, the Company, and certain other original subordinated parties have also entered into the Subordination Agreement for the purposes of subordinating certain amounts of indebtedness to the Bonds.

Further details

Any requests for information can be directed to the Company's financial and legal advisers:

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20 Grafton Street
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About European TopSoho S.à r.l.

European TopSoho S.à r.l. is an investment holding company established in Luxembourg. The Company is the controlling shareholder of SMCP S.A. which is a leading accessible luxury fashion company listed on the regulated market of Euronext Paris.

European TopSoho S.à r.l. is a subsidiary of Shandong Ruyi Technology Group Company Limited, the leading apparel manufacturer and fashion brands operator headquartered in Shandong, China.

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This press release contains inside information released by the Company under Regulation (EU) 596/2014 (16 April 2014).

Legal Entity Identifier (LEI): 222100WPZ89Z7MJRFX19.

TRUST DEED

EUROPEAN TOPSOHO S.À R.L.

and

FOREVER WINNER INTERNATIONAL DEVELOPMENT LIMITED

(恆成國際發展有限公司)

and

GLAS SAS (LONDON BRANCH)

SUPPLEMENTAL TRUST DEED

in respect of

€250,000,000 4.00 per cent. Secured Exchangeable Bonds due 2021 exchangeable into ordinary shares
of SMCP S.A.

ISIN XS1882680645

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This Supplemental Trust Deed is made on 17 June 2021 **between:**

- (1) **EUROPEAN TOPSOHO S.À R.L.**, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, with its registered office at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, and registered with the Commercial and Luxembourg Trade and Companies' Register under the number B 205937 (the "**Issuer**");
- (2) **FOREVER WINNER INTERNATIONAL DEVELOPMENT LIMITED (恆成國際發展有限公司)**, a private company limited by shares incorporated and existing under the laws of Hong Kong, with its registered office at 39/F, Dorset House, Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong (the "**Guarantor**"); and
- (3) **GLAS SAS (LONDON BRANCH)**, a company incorporated in France with company number 838225290 and acting through its offices at 45 Ludgate Hill, London EC4M 7JU, United Kingdom in its capacity as Trustee under the Trust Deed (as defined below) (the "**Trustee**").

RECITALS:

- (A) The Issuer, by resolution of its board of managers passed on 16 June 2021, has authorised the entry by the Issuer into this Supplemental Trust Deed (as defined below).
- (B) This Supplemental Trust Deed is supplemental to and amends the trust deed (as amended and supplemented from time to time, including by this Supplemental Trust Deed) originally entered into between the Issuer, the Guarantor and BNP Paribas Trust Corporation UK Limited dated 21 September 2018 (the "**Trust Deed**"), constituting and securing the Bonds (as defined in the Trust Deed).
- (C) The Bondholders have directed the Trustee to enter into this Supplemental Trust Deed pursuant to an extraordinary resolution passed by way of written resolution on 17 June 2021 (the "**Extraordinary Resolution**").
- (D) The Issuer, the Guarantor, and the Trustee have entered into a deed of confirmation of appointment dated 17 June 2021, confirming that, on the basis set out in the deed of confirmation of appointment, the Issuer has appointed GLAS SAS (London Branch) as trustee in accordance with Clause 20.1 of the Trust Deed with effect from the date of such deed of confirmation of appointment with such deed of confirmation entered into by the parties thereto immediately prior to the entry by the parties into this Supplemental Trust Deed.

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

1. INTERPRETATION

1.1 Definitions

Unless otherwise indicated, terms defined in the Trust Deed have the same meaning in this Supplemental Trust Deed and, in addition, the following term has the following meaning:

“Effective Date” means the date of this Supplemental Trust Deed.

1.2 Construction

The provisions of clauses 1.2 to 1.5 of the Trust Deed shall apply to this Supplemental Trust Deed as though they were set out in full except that references to “this Trust Deed” are to be construed as references to this Supplemental Trust Deed.

2. INCORPORATION AND SUPPLEMENT

Subject to the terms of this Supplemental Trust Deed, the Trust Deed will remain in full force and effect and the Trust Deed and this Supplemental Trust Deed will, from the date hereof, be read and construed as one document. All references in the Trust Deed to the “Trust Deed” shall be to the Trust Deed as supplemented by this Supplemental Trust Deed.

3. AMENDMENTS TO THE TRUST DEED

The Trust Deed will be amended in the manner set out in this Clause 3 on and from the Effective Date.

3.1 Definitions

Clause 1.1 (*Interpretation - Definitions*) shall be amended as follows:

- (a) the definition of “Transaction Documents” shall be replaced with the following:

“Transaction Documents” means this Trust Deed (including the Supplemental Trust Deed), the Custody Agreement, the Subordination Agreement, the Calculation Agency Agreement (including the Supplemental Calculation Agency Agreement), the Agency Agreement, the Ad Hoc Group Transaction Payment Letter, the Deferred Fee Letter, the Trustee Fee Letter and any other fee letter or other document which is designated by the Issuer and the Trustee in writing as a Transaction Document, as the same may be amended, modified, supplemented and/or restated from time to time; and”

- (b) the following definitions shall be inserted in the appropriate alphabetical order:

“2021 Extraordinary Resolution” means the Extraordinary Resolution of the Bondholders passed by way of a written resolution dated 17 June 2021.

“Ad Hoc Group Transaction Payment” means the transaction payment that the Issuer has agreed to make to members of the AHG or their representatives subject to the terms of, and as described in, the Ad Hoc Group Transaction Payment Letter.

“Ad Hoc Group Transaction Payment Letter” means the fee letter between the Issuer, the Trustee and certain members of the AHG, dated 17 June 2021.

“AHG” has the meaning given to it in the 2021 Extraordinary Resolution.

“Deferred Fee” means the fee that the Issuer has agreed to pay to the Bondholders subject to the terms of, and as described in, the Deferred Fee Letter.

“Deferred Fee Letter” means the fee letter between the Issuer and the Trustee dated 17 June 2021.

“Subordination Agreement” means the subordination agreement made between the Trustee, the Issuer and certain other entities as specified therein (and as may accede to such subordination agreement from time to time) dated 17 June 2021.

“Supplemental Calculation Agency Agreement” means the supplemental calculation agency agreement dated 17 June 2021 between the Issuer, the Guarantor and the Calculation Agent.

“Supplemental Trust Deed” means the supplemental trust deed dated 17 June 2021 made by the Issuer, the Guarantor and the Trustee in relation to this Trust Deed.

“Trustee Fee Letter” means the fee letter dated on or about the date of this Supplemental Trust Deed, between the Trustee and the Issuer.”

3.2 Guarantee

Clause 6.4 (*Guarantee and Indemnity—Exercise of the Guarantor’s Rights*) shall be deleted and replaced with the following:

“6.4 **Exercise of Guarantor’s Rights:** So long as any sum remains payable under this Trust Deed or the Bonds:

6.4.1 any right of the Guarantor, by reason of the performance of any of its obligations under this Clause 6, to be indemnified by the Issuer or to take the benefit of or to enforce any security or other guarantee or indemnity will be exercised and enforced by the Guarantor only in such manner and on such terms as the Trustee may require or approve; and

6.4.2 any amount received or recovered by the Guarantor (a) as a result of any exercise of any such right or (b) in any dissolution, bankruptcy, insolvency, winding up, receivership, amalgamation, reconstruction or reorganisation of the Issuer (or any analogous proceeding in or under any similar law of any jurisdiction) will be held in trust for the Trustee and immediately paid to the Trustee and the Trustee will hold it on trust as set out in Clause 7.”

3.3 Application of Moneys

- (a) Clause 7.1.3 (*Application of Moneys Received by the Trustee—Application of Moneys*) shall be amended to read as follows:

“Thirdly, in or towards payment or discharge or satisfaction pari passu of all amounts due and payable (i) to the Bondholders in respect of the Bonds and pursuant to the Trust Deed, (ii) to the persons entitled to receive the Ad Hoc Group Transaction Payment (if any) and other amounts payable by the Issuer pursuant to the Ad Hoc Group Transaction Payment Letter and (iii) to the Bondholders pursuant to the Deferred Fee Letter, if any.”

- (b) The following shall be added as a new Clause 7.1A following Clause 7.1:

“7.1A Application of Monies (Enforcement): *Notwithstanding any other provision of this Trust Deed:*

- (a) *the Trustee shall hold on trust all monies or other property received or recovered by it under the Transaction Documents in connection with the realisation or enforcement of the Secured Property and shall apply them in accordance with Condition 5(d); and*
- (b) *the Trustee shall hold on trust (i) all monies or other property received or recovered by it under the Transaction Documents from the Guarantor by reason of the Guarantor's performance under Clause 6 (excluding any amounts received or recovered by it under Clause 6.4.2, and, for the avoidance of doubt, any amounts received or recovered in accordance with the Subordination Agreement or any other agreement governing the subordination of any Subordinated Indebtedness) and (ii) all monies or other property otherwise recovered from the Guarantor further to the carrying out of any Guarantor Recovery Action in accordance with Condition 14(a), and shall apply them in accordance with Clause 7.1 above, save that in respect of Clause 7.1.3 the words "(ii) to the persons entitled to receive the Ad Hoc Group Transaction Payment (if any) and other amounts payable by the Issuer pursuant to the Ad Hoc Group Transaction Payment Letter and (iii) to Bondholders pursuant to the Deferred Fee Letter, if any" shall be deemed to be excluded.”*

3.4 General Covenants

- (a) Clause 11.3 (*General Covenants—Financial Statements*) shall be amended to add the following text at the end of the sub-clause:

“, and further, (i) the Issuer will on or before 30 June 2021 provide to the Trustee and publish on its website (www.europeantopsoho.com or such other website notified to the

Trustee) the audited financial statements for the Issuer for the financial year ended 31 December 2020;”

- (b) The “and” at the end of Clause 11.19 (*General Covenants—Public Offer*) shall be deleted, and the full stop at the end of Clause 11.20 (*General Covenants—Authorised Officers*) shall be deleted and replaced by “; and”.
- (c) The following paragraphs shall be added to Clause 11 (*General Covenants*):

“11.21 Refinancing Updates: upon the election of the Bondholders holding in excess of one half in principal amount of the Bonds outstanding from time to time, such election to be provided in writing to the Issuer (“**Notice of Election**”), and provided that the Notice of Election has not been withdrawn or replaced by such Bondholders, the Issuer shall provide monthly updates in respect of the manner in which the Bonds are expected to be refinanced and the progress of any refinancing negotiations to the legal counsel notified by such Bondholders, subject to such legal counsel having entered into reasonable and appropriate confidentiality obligations directly with the Issuer, and without prejudice to the obligation of such legal counsel to act in the interests of its clients only, and further provided that any disclosure by such legal counsel to its clients is subject to that client having entered into reasonable and appropriate confidentiality restrictions directly with the Issuer. For the purposes of the foregoing, (i) the first monthly update shall be delivered no later than ten (10) Business Days after receipt by the Issuer of the Notice of Election; and (ii) whenever any update is required to be delivered by the Issuer on a day other than a Business Day, such update shall be delivered by the Issuer on the next Business Day.

11.22 Other Notices: give the Trustee prompt notice of any Lien or other security interest securing the obligations of any person over the Shares that it holds which are not subject to the security constituted by the Trust Deed.

11.23 Advisors' fees: pay and discharge the fees and expenses incurred, and/or to be incurred, by the Issuer (including the fees and expenses of Linklaters LLP and Perella Weinberg UK Limited), in each case solely using funds received (or deemed to have been received) from (a) the Issuer’s direct or indirect shareholder or any of such person’s subsidiaries by way of a capital contribution or a share issue; or (b) the incurrence of Subordinated Indebtedness (as defined in the Conditions).”

- (d) Save in respect of Clause 11.6 (*General Covenants—Further Acts*), Clause 11.16 (*General Covenants—NDRC Post-Issue Filing*) and Clause 11.17 (*General Covenants—Bonds held*

by Issuer or Guarantor etc.), the Guarantor shall not have any obligation under Clause 11 (General Covenants) and the undertakings thereof shall be disapplied insofar as they relate to the Guarantor.

3.5 Remuneration and Indemnification of the Trustee

- (a) Clause 12 (*Remuneration and Indemnification of the Trustee*) shall be amended to insert a new Clause 12.8, which shall read as follows:

“12.8 Funding of payments: *if any of the fees, liabilities, expenses or other amounts payable under this Clause 12 are paid by the Issuer, such payments shall be made by the Issuer from cash on hand or proceeds received or deemed to have been received from (a) its (direct or indirect) shareholder or any of such person’s subsidiaries by way of a capital contribution or share issue; or (b) the incurrence of Subordinated Indebtedness. This is without prejudice to the Trustee’s right to apply any monies received by it under the Transaction Documents to discharge any such fees, liabilities or expenses incurred by it.”*

4. AMENDMENTS TO THE CONDITIONS

The Conditions of the Bonds will be amended in the manner set out in this Clause 4 on and from the Effective Date.

4.1 Definitions

Condition 4 (*Definitions*) shall be amended as follows:

- (a) The definition of “Transaction Documents” in Condition 4 (*Definitions*) shall be replaced with the following:

“Transaction Documents” *means the Trust Deed (including the Supplemental Trust Deed), the Custody Agreement, the Subordination Agreement, the Agency Agreement, the Ad Hoc Group Transaction Payment Letter, the Deferred Fee Letter and any fee letter or other document which is designated by the Issuer and the Trustee in writing as a Transaction Document, as the same may be amended, modified, supplemented and/or restated from time to time.*

- (b) The following definitions shall be inserted in the appropriate alphabetical order:

“2021 Extraordinary Resolution” *means the Extraordinary Resolution of the Bondholders passed by way of a written resolution dated 17 June 2021.*

“Ad Hoc Group Transaction Payment” *means the transaction payment that the Issuer has agreed to make to members of the AHG or their representatives or nominees subject to the terms of, and as described in, the Ad Hoc Group Transaction Payment Letter.*

“Ad Hoc Group Transaction Payment Letter” means the fee letter between the Issuer, the Trustee and certain members of the AHG, dated 17 June 2021.

“AHG” has the meaning given to it in the 2021 Extraordinary Resolution.

“Deferred Fee” means the fee that the Issuer has agreed to pay to the Bondholders subject to the terms of, and as described in, the Deferred Fee Letter.

“Deferred Fee Letter” means the fee letter between the Issuer and the Trustee dated 17 June 2021.

“Subordination Agreement” means the subordination agreement made between the Trustee, the Issuer and certain other entities as specified therein (and as may accede to such subordination agreement from time to time) dated 17 June 2021.

“Supplemental Calculation Agency Agreement” means the supplemental calculation agency agreement dated 17 June 2021 between the Issuer, the Guarantor and the Calculation Agent.

“Supplemental Trust Deed” means the supplemental trust deed dated 17 June 2021 made by the Issuer, the Guarantor and the Trustee in relation to this Trust Deed.

4.2 Security

In Condition 5(a) (*Security—Secured Property*), the paragraph immediately after the heading **“Secured Property”** will become new sub-paragraph (i), and the rest of the sub-paragraphs shall be renumbered accordingly, so that the numbering in the Conditions attached to the Trust Deed matches that of the copy of the Conditions which has been made publicly available.

4.3 Covenants and Negative Pledge

(a) Condition 6(b) (*Covenants and Negative Pledge—Negative Pledge of the Issuer, the Guarantor and their respective Subsidiaries*) shall be amended by deleting “each of” and “and the Guarantor”:

(b) Condition 6 (*Covenants and Negative Pledge*) shall be amended to add additional paragraphs (f), (g) and (h) which read as follows:

(f) **No restricted payments**

The Issuer will not, for so long as any Bond remains outstanding:

(i) *pay, repay, prepay, redeem, defease, discharge or otherwise acquire or retire for value any principal, interest, fees or any other amounts owing in respect of any Indebtedness except in respect of the Bonds or under the Transaction Documents and for the avoidance of doubt, the foregoing shall not restrict the*

ability of the Issuer to pay any and all fees, charges and expenses of its legal counsels and financial advisers in relation to the Bonds;

- (ii) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) in each case on or in respect of its share capital (or any class of its share capital);*
- (iii) repay or distribute any dividend or share premium reserve;*
- (iv) pay any management, advisory or other fee to or to the order of any of the direct or indirect shareholders of the Issuer or the Guarantor, or any other entities represented, managed, advised, owned or controlled by any of such shareholders; or*
- (v) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so.*

(c) Centre of Main Interest

*This Issuer shall procure that, for so long as any Bond remains outstanding, for the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) (the “**Regulation**”), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in Luxembourg and it has no “establishment” (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction. For the purposes of the Luxembourg law of 10 August 1915 on commercial companies, as amended, the Issuer has its central administration (administration centrale) in the Grand Duchy of Luxembourg.*

4.4 Payments and Agents

The first paragraph of Condition 12(g) (*Payments and Agents—Calculation Agent*) shall be amended to read as follows:

“The Calculation Agent acts as an agent for, and upon the request of, the Issuer, provided that, following the delivery of a Default Notice, the Issuer hereby appoints the Trustee as its attorney to deliver such instructions to the Calculation Agent and to exercise the rights of the Issuer under the Calculation Agency Agreement. Neither the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed in connection with the Bonds (acting in such capacity), shall assume any obligations towards or have any relationship of agency or trust with, nor shall the Calculation Agent (acting in such capacity) nor any Independent Adviser appointed as aforesaid be liable nor shall they incur any liability as against the Bondholders, the Trustee, or the Paying, Transfer and Exchange Agent.”

4.5 Events of Default

(a) Condition 14(a)(i) to (v) (*Events of Default; Change of Control of the Company—Events of Default*) shall be amended to read as follows:

- "(i) *default by the Issuer in any payment when due of principal, interest or any other amount payable in respect of any of the Bonds or in delivering Shares upon a valid exercise of the Exchange Right, if such default shall not have been remedied by the Issuer or the Guarantor within a period of five Business Days after receipt by the Issuer or the Guarantor of a written notice of such default by the Trustee and requiring the same to be remedied; or*
- (ii) *default by the Issuer in the performance of, or compliance with, any other obligation of the Issuer under the Bonds (other than as referred to in Condition 14(a)(i)), the Trust Deed or any other Transaction Document, as the case may be, if such default shall not have been remedied within 15 Business Days after receipt by the Issuer of a written notice of such default given by the Trustee and requiring the same to be remedied; or*
- (iii) *if the Issuer fails to pay any other present or future indebtedness of the Issuer for or in respect of borrowed monies in an aggregate amount exceeding USD 20 million or its equivalent in any other currency or currencies when it becomes, following, where applicable, the expiry of any originally applicable grace period, due and payable prior to its stated maturity by reason of a default in relation thereto or if any such indebtedness is not paid at maturity as extended by any applicable grace period or if any guarantee or indemnity in respect of any such indebtedness given by the Issuer is not honoured when due and called upon or within any applicable grace period as originally provided, unless the Issuer has disputed in good faith that such borrowed money is due or such guarantee or indemnity is callable, and such dispute has been submitted to a competent court in which case such event shall not constitute an event of default hereunder so long as the dispute has not been finally adjudicated; or*
- (iv) *a judgment is issued for the judicial liquidation (liquidation judiciaire) or for a transfer of the whole of the business (cession totale de l'entreprise) or substantially the whole of the business of the Issuer, to the extent permitted by law, the Issuer is subject to any other insolvency or bankruptcy proceedings under any applicable laws or the Issuer makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors; or*

- (v) *if the Issuer is wound up or dissolved or ceases to carry on all or substantially all of its business, except in connection with a merger, consolidation, amalgamation or other form of reorganisation pursuant to which the surviving entity shall be the transferee of or successor to all or substantially all of the business of the Issuer and assumes all of the obligations of the Issuer with respect to the Bonds; or”*
- (b) Three additional paragraphs shall be added to Condition 14(a) (*Events of Default; Change of Control of the Company—Events of Default*), before the definition of “Early Redemption Settlement Amount”, which shall read as follows:

“Following the delivery of a Default Notice or, if the Bonds have become automatically due and payable upon the insolvency of the Issuer prior to the giving of a Default Notice as a result of mandatory provisions of Luxembourg law, upon the Bonds becoming due and payable, the Calculation Agent shall (and the Issuer hereby irrevocably instructs the Calculation Agent to do so) certify the Early Redemption Settlement Amount to the Trustee, without further instruction from the Issuer and without inquiry into the validity of the Default Notice.

The Trustee shall, if so requested in writing by Bondholders holding at least fifty-one per cent. (51%) in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), withdraw a Default Notice, at which point the Bonds then outstanding (without prejudice to those Bondholders who have exercised their Exchange Rights) shall not become, and shall cease to be, due and payable, and such Default Notice will have no further effect.

*If the Guarantor (i) is subject to any insolvency or bankruptcy proceedings under any applicable laws, (ii) makes any conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or (iii) is wound up or dissolved or ceases to carry on all or substantially all of its business (except in connection with a merger, consolidation, amalgamation or other form of reorganisation pursuant to which the surviving entity shall be the transferee of or successor to all or substantially all of the business of the Guarantor and assumes all of the obligations of the Guarantor with respect to the Bonds) (any of the foregoing being a “**Guarantor Insolvency Event**”), then the Trustee at its discretion may, and if so requested in writing by holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided that, in each case, the Trustee shall have been indemnified and/or secured and/or prefunded to its reasonable satisfaction), (A) declare that an amount equal to all amounts that are or would be payable in respect of the Bonds and this Trust Deed by the Issuer if a Default Notice had been delivered or the Bonds otherwise became automatically due and payable shall be immediately due and payable*

by the Guarantor as a principal obligor, (B) claim against the Guarantor for all such amounts in respect of the Bonds and this Trust Deed, (C) prove as a creditor in any such proceeding of the Guarantor or take equivalent action under any applicable law and/or (D) take all actions required to establish, preserve and prosecute its claims against the Guarantor in such proceeding (any of the foregoing actions being a “**Guarantor Recovery Action**”), in each case, notwithstanding that a Default Notice has not been delivered in respect of the obligations of the Issuer under the Bonds and the Trust Deed. For the avoidance of doubt, the foregoing is without prejudice to (x) the obligations of the Issuer under the Bonds and the Trust Deed or (y) the fact that the Bonds may not have otherwise become automatically due and payable, it being understood and agreed that amounts actually recovered from the Guarantor further to the carrying out of any Guarantor Recovery Action shall be applied by the Trustee in accordance with Clause 7 of the Trust Deed. Notwithstanding any other provision of the Conditions or the Trust Deed, it is understood and agreed that an Event of Default shall not be deemed to have occurred or be continuing, and that the Trustee shall not be entitled to declare that the Bonds have become immediately due and payable or otherwise issue a Default Notice, solely as a result of the occurrence of any Guarantor Insolvency Event, the taking by the Trustee of any Guarantor Recovery Action and/or any breach of the Trust Deed or the Conditions by the Guarantor following the occurrence of any Guarantor Insolvency Event.”

4.6 Financial Covenant

- (a) The words “or Subordinated Indebtedness” shall be added after the words “Refinancing Indebtedness” in the first paragraph of Condition 10 (*Financial Covenant*).
- (b) The definition of “Refinancing Indebtedness” in Condition 10 (*Financial Covenant*) shall be amended to read as follows:

“**Refinancing Indebtedness**” means Indebtedness (including without limitation any bonds exchangeable into Shares), provided that, concurrently with or immediately following the issuance of such Indebtedness, the Bonds and all amounts due under the Trust Deed and the Transaction Documents shall be redeemed or otherwise repaid in full.

- (c) The following definition shall also be added to Condition 10 (*Financial Covenant*) in the appropriate alphabetical order:

“**Subordinated Indebtedness**” means any unsecured loan which is subordinated in right of payment of interest, principal and any other amounts to any amounts payable under the Transaction Documents, the Ad Hoc Group Transaction Payment Letter and the Deferred Fee Letter, on terms satisfactory to the Trustee, and the proceeds of which are applied by the Issuer solely (i) in discharge of the Issuer’s liabilities as contemplated under Clause

12.8 of the Trust Deed; (ii) towards payment of any amounts owing by the Issuer in respect of the Bonds or under the Transaction Documents; and/or (iii) in connection with costs and expenses incurred by the Issuer for maintaining its existence and operation as a holding company in respect of the Shares.

4.7 Redemption, Purchase and Cancellation

(a) Condition 11 (*Redemption, Purchase and Cancellation*) shall be amended to add new sub-clauses (e), (f) and (g), which shall read as follows:

“(e) *The Issuer may at its option, having given not less than 5 nor more than 30 days’ notice to the Bondholders in accordance with Condition 18 (Notices) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Bonds then outstanding in whole, but not in part, at any time during the period commencing on (and including) the date of the Supplemental Trust Deed to (but excluding) the Maturity Date at the Early Redemption Settlement Amount, save that for the purposes of determining such amount (i) references to “the Acceleration Notification Date” in the definitions of “Early Redemption Settlement Amount” and “Early Redemption VWAP Market Value” shall be replaced with references to “the date on which notice of redemption is given pursuant to this Condition 11(e)” and (ii) the reference to “For the purposes of this Condition 14,” in the definition of “Early Redemption VWAP Market Value” shall be disregarded.*

(f) *If the Bonds have not been repaid or redeemed or otherwise purchased and cancelled, in each case in full, on or prior to the date falling five Business Days after the Maturity Date, the Issuer shall pay (or procure the payment of) the Ad Hoc Group Transaction Payment and the Deferred Fee in accordance with the terms of the Ad Hoc Group Transaction Payment Letter and the Deferred Fee Letter, respectively, which amounts shall (if such conditions are satisfied) be due and payable on the sixth Business Day after the Maturity Date.*

(g) *If the Bonds are (or are required to be) repaid or redeemed or otherwise purchased and cancelled, in full or in part (whether or a mandatory or voluntary basis, including, for the avoidance of doubt, on or after the Maturity Date and whether before or after the occurrence of any Event of Default or Potential Event of Default or as a result of a call or put option exercised by the Issuer or the Bondholders), the Issuer shall pay all other amounts that are payable by the Issuer under the Ad Hoc Group Transaction Payment Letter (other than the Ad Hoc Group Transaction Payment) at the time the Bonds are so repaid or redeemed.”*

5. GUARANTEE AND CONFIRMATION

The Guarantor confirms that, with effect from (and including) the Effective Date, the guarantees and indemnities set out in Clause 6 (*Guarantees and Indemnity*) of the Trust Deed shall:

- (a) continue to apply in full force and effect on the terms of the Trust Deed as amended by this Supplemental Trust Deed in respect of the obligations of the Issuer under the Bonds and the Trust Deed (including this Supplemental Trust Deed) but, for the avoidance of doubt, shall not apply to the obligations of the Issuer under the Ad Hoc Group Transaction Payment Letter and/or the Deferred Fee Letter; and
- (b) extend to all new obligations of the Issuer under the Bonds and the Trust Deed (including this Supplemental Trust Deed) arising from the amendments effected by this Supplemental Trust Deed but, for the avoidance of doubt, shall not extend to the obligations of the Issuer under the Ad Hoc Group Transaction Payment Letter and/or the Deferred Fee Letter.

6. SECURITY

The Issuer confirms that, with effect from (and including) the Effective Date:

- (a) any security created by it under the Transaction Documents (including as set out in Clause 4 (*Security*) of the Trust Deed) extends to the obligations of the Issuer and Guarantor under the Bonds and the Trust Deed (including this Supplemental Trust Deed), which obligations shall, for the avoidance of doubt not include the obligations of the Issuer under the Ad Hoc Group Transaction Payment Letter and/or the Deferred Fee Letter and subject to any limitations set out in the Transaction Documents;
- (b) the liabilities and obligations arising under the Bonds and the Trust Deed (including this Supplemental Trust Deed) shall form part of (but do not limit) the obligations secured in Clause 4 (*Security*) of the Trust Deed, which obligations shall, for the avoidance of doubt not include the obligations of the Issuer under the Ad Hoc Group Transaction Payment Letter and/or the Deferred Fee Letter; and
- (c) any security created under the Transaction Documents (including as set out in Clause 4 (*Security*) of the Trust Deed) continues in full force and effect on the terms of the relevant Transaction Documents.

7. WAIVER

- (a) The Trustee waives any alleged and/or actual Events of Default and Potential Events of Default which may have arisen prior to the Effective Date in respect of the following circumstances:
 - (i) any circumstances affecting and/or relevant to the Guarantor, any failure by the Guarantor to comply with its obligations under the Trust Deed and/or any failure by the Guarantor to pay any other present or future indebtedness of the

Guarantor when they became due and payable (including any failure to pay under any guarantee or indemnity in respect of any indebtedness of any other person) including but not limited to;

- (A) the Guarantor having failed to pay amounts due and payable equal to HK\$549,065,532.27 and US\$52,145,322.14 of principal and interest (combined, equivalent to approximately US\$123m) under loan facilities granted by Hang Seng Bank Limited to the Guarantor;
- (B) the Guarantor having failed to pay amounts due and payable approximately equal to US\$33,784,831.12 of principal and interest under loan facilities granted by Industrial Bank Co. Ltd. to the Guarantor;
- (C) the petition filed on 22 February 2021 to wind up the Guarantor in the High Court of the Hong Kong Special Administrative Region in respect of indebtedness in excess of the cross-default threshold set out in Condition 14(a)(iii) of the Trust Deed, allegedly incurred pursuant to a guarantee provided by the Guarantor in respect of certain bonds; and
- (D) any and all of the actions taken in respect of the Guarantor by Sino Power Resources Inc. and its appointed receivers in respect of indebtedness under a loan provided by Sino Power Resources Inc. to Ruyi International Fashion (China) Financial Investment Holding Group Limited,

in each case excluding, for the avoidance of doubt, any circumstances solely affecting and/or solely relevant to the Issuer, or to any failure by the Issuer to comply with its obligations under the Trust Deed, which in each case constitutes an Event of Default or Potential Event of Default in respect of the Issuer;

- (ii) past compliance certificates provided by the Issuer and the Guarantor to the Trustee in accordance with Clause 11.5 (*General Covenants–Certificate of Authorised Officers*) of the Trust Deed, including but not limited to the compliance certificate provided by the Issuer and the Guarantor dated 16 October 2020, and the compliance certificates respectively provided by the Issuer and Guarantor dated 1 February 2021;

- (iii) any failure to deliver financial statements under Clause 11.3 (*General Covenants–Financial Statements*) of the Trust Deed;
 - (iv) the incurrence prior to the date hereof by the Issuer in an aggregate amount not exceeding a total of €22,469,244 and US\$925,234 of Indebtedness in respect of monies borrowed in breach of Condition 10 (*Financial Covenant*) (“**Specified Indebtedness**”) (i) it being confirmed and agreed by the Issuer and Guarantor that in respect of monies borrowed from the Guarantor, such Indebtedness has been incurred (and shall be deemed to be incurred) pursuant to the performance by the Guarantor of its obligations under Clause 6 of the Trust Deed, in an amount of €19,500,000, or has been incurred by the Issuer in connection with costs and expenses incurred or otherwise payable by the Issuer for maintaining its existence and operation as a holding company in respect of the Shares in an amount of €591,483, and (ii) provided any such Specified Indebtedness (where incurred in respect of monies borrowed from entities other than the Guarantor) constitutes “Subordinated Indebtedness” on the date of this Supplemental Trust Deed; and
 - (v) any failure of the Issuer and/or the Guarantor to recognise GLAS SAS (London Branch) as the trustee in relation to the Bonds and/or comply with any request made by GLAS SAS (London Branch) on and from 24 December 2020 to the Effective Date.
- (b) The Trustee shall on and following the Effective Date be deemed to have withdrawn all outstanding Default Notices, and any outstanding request(s) for delivery of compliance certificates from the Issuer and/or the Guarantor, and shall promptly after the Effective Date notify the Bondholders of this withdrawal of the outstanding Default Notices in accordance with Condition 18 (*Notices*), and shall provide the Issuer and the Guarantor a copy of such notice in advance of its issue and shall afford the Issuer and the Guarantor a reasonable opportunity to comment thereon. The Trustee shall take such reasonable further steps and notify such further parties as are required to give effect to such withdrawal.
- (c) Without limiting the generality of the foregoing, the Trustee shall as soon as reasonably practicable, promptly (and in any event (A) in the case of the notifications described at (i) below, by no later than three (3) Business Days; and (B) in the case of the notification described at (ii) below, by no later than four (4) Business Days) following the Effective Date:
- (i) notify the Custodian, the Registrar, the Principal Paying, Transfer and Exchange Agent and the Calculation Agent (x) of the withdrawal of all outstanding Default Notices and (y) (except in the case of the Calculation Agent) that any previous notices or other communications to the effect that the Agents are required to act

as agents of the Trustee in the manner contemplated by the Transaction Documents shall be rescinded with immediate effect. Each such notice shall be copied to the Issuer and the Guarantor and the Trustee shall provide the Issuer and the Guarantor a copy of all such notices in advance of their issue and shall afford the Issuer and the Guarantor a reasonable opportunity to comment thereon;

- (ii) make (or procure the making on its behalf of), at the cost of the Issuer, an ownership threshold crossing notification filing with the Autorité de Marché Financiers (the “**AMF**”), pursuant to articles L.233-7 et seq. of the French Code de Commerce, notifying (x) that it no longer contends that it is in a position to instruct the exercise of any voting rights attached to any Shares, and, therefore, (y) that the notifications sent to the AMF on 4 January 2021 and 5 January 2021, following which it was published that it had crossed upwards the 5%, 10%, 15% and 20% ownership and voting rights thresholds and the 25% voting rights threshold in the Company, should be reversed.
- (d) Following the Effective Date, and provided that no further Event of Default has occurred, the Trustee shall desist from taking any steps directly or indirectly to frustrate the exercise by the Issuer of any voting rights attached to any Shares, including making any communications or notifications to the AMF, the Company or otherwise in relation to the Issuer, the Company and/or the ownership and voting rights thresholds relating to the Shares, whether in respect of the ability of the Trustee to vote the Shares or otherwise.

8. MISCELLANEOUS

- (a) Clauses 23 (*Communications*), 24 (*Counterparts*), and 25 (*Governing Law and Jurisdiction*) of the Trust Deed shall be incorporated into this Supplemental Trust Deed as if set out in full in this Supplemental Trust Deed and as if references in those Clauses to “this Trust Deed” are references to this Supplemental Trust Deed.