



GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2022 ()

IN THE MATTER OF SECTION 86 OF THE COMPANIES ACT (2021 REVISION)

AND IN THE MATTER OF GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

PETITION

TO: THE GRAND COURT OF THE CAYMAN ISLANDS

THE HUMBLE PETITION OF Golden Wheel Tiandi Holdings Company Limited, whose registered office is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands (the "**Company**") shows the following:

Introduction

1. The object of this Petition is to seek the sanction of this Honourable Court pursuant to section 86 of the Companies Act (2021 Revision) of a proposed scheme of arrangement (the "**Scheme**") between the Company and the holders of the Existing Notes (as defined below) (the "**Noteholders**").
2. A copy of the following documents will be exhibited to a supporting affidavit sworn by Mr Wong Yam Yin, a director of the Company, to be filed with this Honourable Court:
 - a. the proposed Scheme;
 - b. a draft explanatory statement prepared in respect of the Scheme pursuant to Order 102 Rule 20(4)(e) of the Cayman Islands Grand Court Rules 1995 (Revised Edition) which includes details of the background to, and key terms of, the Scheme (the "**Explanatory Statement**");
 - c. various appendices to the Explanatory Statement, including, among other things, the solicitation packet, which will contain instructions to the Scheme Creditors (as defined below) in relation to voting in respect of the Scheme and for claiming their

entitlements under the Scheme, as well as certain detailed financial information concerning the Company and its subsidiaries (the "**Group**"); and

- d. a draft notice convening a single meeting of Scheme Creditors for the purposes of considering and, if thought fit, approving, with or without modification, the proposed Scheme.

Save where otherwise defined, capitalised terms used in this Petition shall have the same meaning as ascribed to them in the Scheme.

The Company

3. The Company was incorporated as an exempted company with limited liability under the laws of the Cayman Islands on 26 April 2012 with company number 268483. The Company's registered office address is currently situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company is registered as a non-Hong Kong company in Hong Kong with registration number F0019208. The shares of the Company were listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 1232) on 16 January 2013. As at the date of this Petition, the issued share capital of the Company was USD17,990,200 divided into 1,799,020,000 ordinary shares of a nominal or par value of USD0.01 each.
4. The Company is, principally, the holding company in respect of the Group, which includes the Existing Notes Subsidiary Guarantors. The Group is a leading integrated commercial and residential property developer, owner and operator with a presence primarily in the People's Republic of China ("**PRC**") and Hong Kong. Additionally, the Group also manages and sub-leases newly developed metro stations and shopping malls pursuant to leasing and management contracts and provides hotel services to hotels located in the PRC.
5. The principal assets of the Company comprise shares in its subsidiary entities which ultimately undertake the Group's business operations in the PRC and Hong Kong.
6. The objects for which the Company was established are unrestricted by its Memorandum of Association (as amended and restated and adopted by a special resolution on 10 December 2012).

Financial Position of the Company

7. As at 30 June 2021, the Company's non-current assets on a consolidated basis amounted to approximately RMB7,719,768,000 and the Company's current assets on a consolidated basis amounted to approximately RMB9,555,074,000.
8. As at 30 June 2021, the Group's financial indebtedness consisted primarily of: (i) the Existing Notes (as defined below); (ii) offshore bank financing (the "**Offshore Loans**"); and (iii) onshore bank financing (the "**Onshore Loans**"), as summarised in the table below and described in further detail in the paragraphs below.

	Total principal outstanding
Offshore Loans	RMB1,628,402,000
Onshore Loans	RMB1,462,543,000
Existing Notes	USD445,000,000

Offshore Loans

9. The Company and certain of its offshore subsidiaries (being Golden Wheel Bright Jade Company Limited, Golden Wheel International Investment Limited and Golden Wheel Jasper Company Limited) have entered into various offshore loan agreements with banks. As at 30 June 2021, the total principal amount outstanding under the Group's offshore loan financing amounted to approximately RMB1,628,402,000, of which HKD385,140,000 and USD40,000,000 (approximately RMB570,000,000) is secured against property owned by the Group. The offshore loan agreements are also secured by, among other things, share security, standby letters of credit and certain identified security over deposits (as applicable), and certain of these loan agreements are also guaranteed by other members within the Group.

Onshore Loans

10. Certain of the Company's PRC subsidiaries have entered into loan agreements with various PRC banks and PRC branches of certain international banks, including Bank of Shangrao, Shanghai Pudong Development Bank, Bank of Jiangsu, Bank of China, Nanjing Bank, Hang Seng Bank (China) Limited and Construction Bank of China. As at 30 June 2021, the total principal amount outstanding under the Group's onshore loan financing

amounted to approximately RMB1,462,543,000. The Group's onshore loans are secured by, among other things, land use rights, properties, project income and/or restricted bank deposits. Certain of these onshore loan agreements are also guaranteed by other members within the Group.

The Existing Notes

11. The Company is the issuer of the following notes, which are the subject of the Scheme:
 - a. USD170,000,000 14.25% senior notes due 2023 and USD85,000,000 14.25% senior notes due 2023, consolidated to form a single series of notes (ISIN: XS2199251823, Common Code: 219925182), issued by the Company pursuant to the indenture dated 9 July 2020, as amended, supplemented, or otherwise modified from time to time (the "**14.25% 2023 Notes Indenture**"), between the Company, the Existing Notes Subsidiary Guarantors, DB Trustees (Hong Kong) Limited as the trustee (the "**14.25% 2023 Notes Trustee**") and DB Trustees (Hong Kong) Limited as global security agent (the "**14.25% 2023 Notes**");
 - b. USD144,999,000 16.0% senior notes due 2023 (ISIN: XS2348197554, Common Code: 234819755), issued by the Company pursuant to the indenture dated 11 June 2021, as amended, supplemented, or otherwise modified from time to time (the "**16.0% 2023 Notes Indenture**"), between the Company, the Existing Notes Subsidiary Guarantors, DB Trustees (Hong Kong) Limited as the trustee (the "**16.0% 2023 Notes Trustee**") and DB Trustees (Hong Kong) Limited as global security agent (the "**16.0% 2023 Notes**"); and
 - c. the USD200,000,000 12.95% senior notes due 2022 (ISIN: XS2100655807, Common Code: 210065580), issued by the Company pursuant to the indenture dated 14 January 2020, as amended, supplemented, or otherwise modified from time to time (the "**2022 Notes Indenture**" and together with the 14.25% 2023 Notes Indenture and the 16.0% 2023 Notes Indenture, the "**Indentures**"), between the Company, the Existing Notes Subsidiary Guarantors, DB Trustees (Hong Kong) Limited as the trustee (the "**2022 Notes Trustee**" and together with the 14.25% 2023 Notes Trustee and the 16.0% 2023 Notes Trustee, the "**Existing Notes Trustees**") and DB Trustees (Hong Kong) Limited (in its capacity as global

security agent) (the "**2022 Notes**" and together with the 14.25% 2023 Notes and the 16.0% 2023 Notes, the "**Existing Notes**").

12. The Indentures are governed by the laws of the State of New York, United States of America ("**New York Law**").
13. As of the date of this Petition, the principal amount outstanding under the 14.25% 2023 Notes is USD178,495,000, the principal amount outstanding under the 16.0% 2023 Notes is USD144,999,000, and the principal amount outstanding under the 2022 Notes is USD121,506,000.
14. The obligations of the Company in respect of the Existing Notes are guaranteed by certain subsidiaries of the Company (i.e. by the Existing Notes Subsidiary Guarantors). Pursuant to the terms of each Indenture, each Existing Notes Subsidiary Guarantor has agreed (among other things) to jointly and severally guarantee to each holder of the Existing Notes and to the Existing Notes Trustees in respect of each of the Existing Notes the due and punctual payment of the principal of, premium, if any, and interest on, and all other amounts payable under, the Existing Notes.
15. In addition, in order to secure the obligations of the Company under the Existing Notes, security was granted over the issued share capital of all the Existing Notes Subsidiary Guarantors for the benefit of the holders of the Existing Notes.
16. For completeness, such security was granted for the benefit of the holders of the Existing Notes as well as holders of other indebtedness which may from time to time constitute "Permitted *Pari Passu* Secured Indebtedness" as defined in an intercreditor agreement originally dated 2 September 2013, entered into by, among others, the Company, certain subsidiary guarantor pledgors and DB Trustees (Hong Kong) Limited in its capacity as the global security agent under each of the Existing Notes Indentures (the "**Existing Notes Intercreditor Agreement**"). As of the date of this Petition, there is no "Permitted *Pari Passu* Secured Indebtedness" other than indebtedness under the Existing Notes.
17. Additional financial information relating to the Group will be provided in the evidence filed in support of this Petition.

Background to the Restructuring

18. Since mid-2021, a number of high-profile Chinese property developers began to experience difficulties in securing external financing from PRC banks and the offshore capital markets. The onshore bank lending and the offshore capital markets that have funded the growth and development of the PRC real estate sector have experienced an unprecedented inflection point.
19. Like many companies in the PRC real estate sector, the Group has also been severely and negatively affected by this downturn affecting the PRC real estate sector. In this regard, the Group has, among other things, faced difficulties raising both onshore and offshore financing, experienced decreased cash flow and liquidity as a result of deteriorating consumer sentiment and tightened government policy, and continues to experience the negative impacts of the Covid-19 pandemic in multiple ways (including having to contend with increased costs in relation to raw materials and manpower, and a further aggravation of negative consumer and investor sentiment).
20. Despite the best efforts of the Group, the challenging market conditions as discussed above have reduced both the options and amount of financing available to the Group to meet its short-term debt maturities (including under the Existing Notes).
21. Accordingly, the Company has proposed the Scheme principally to restructure the Existing Notes, reduce its short-term debt burden and facilitate a sustainable capital structure and a strengthened balance sheet so that the Company and the Group can continue to operate on a going concern basis.
22. In anticipation of proposing the Scheme, the Company also entered into a restructuring support agreement with the Noteholders representing approximately 60% of the aggregate outstanding principal amount of Existing Notes on 20 December 2021 (the "**Restructuring Support Agreement**"). As at the date of this Petition, holders representing over 85% of the aggregate outstanding principal amount of the Existing Notes have entered into or acceded to the Restructuring Support Agreement. These Noteholders have, pursuant to the Restructuring Support Agreement, undertaken to vote in favour of the Scheme.
23. Additional information regarding support for the proposed Scheme will be provided in the further evidence filed in support of this Petition.

Objects and mechanics of the Scheme and the Restructuring

24. The principal object and purpose of the Scheme is to restructure the Existing Notes (the "**Restructuring**"), by way of the cancellation of the Existing Notes in exchange for new 10.0% senior secured notes (the "**New Notes**"), so as to, among other things, reduce the short-term debt burden of the Group and facilitate a sustainable capital structure and a strengthened balance sheet; this will avoid the Company and other members of the Group potentially entering into an insolvent liquidation, pursuant to which the anticipated recovery for the Scheme Creditors would be significantly less than if the Restructuring was to be completed successfully.
25. The key terms of the New Notes are as follows:
- a. Principal: the total outstanding principal amount of the Existing Notes and their accrued and unpaid interest up to but excluding the Restructuring Effective Date (the "**Issue Amount**");
 - b. Maturity period: three years from the Restructuring Effective Date (the "**New Notes Maturity Date**");
 - c. Interest: 10.0% per annum, payable semi-annually in cash in arrears (with the first interest payment date being the date falling six months after the Restructuring Effective Date);
 - d. Security and guarantees: the same as for the Existing Notes (i.e. share charges over the capital stock of the Existing Notes Subsidiary Guarantors (which will also be the New Notes Subsidiary Guarantors)) plus an account charge in respect of a designated offshore account to be established in Hong Kong. Additionally, the Company shall also use commercially reasonable endeavours to arrange for: (i) entry into a pledge agreement in respect of a designated onshore account to be established in the PRC (the "**Pledge Agreement**"); and (ii) completion of the registration of the Pledge Agreement with the State Administration of Foreign Exchange of the PRC, in each case, as soon as practicable and by no later than the date falling three months after the Restructuring Effective Date;
 - e. Mandatory upfront redemption: 5% of the Issue Amount plus accrued but unpaid interest up to but excluding the redemption date shall be redeemed by the date falling 90 days after the Restructuring Effective Date;

- f. Further mandatory redemptions: unless previously redeemed prior to the relevant redemption dates and in addition to the Mandatory Upfront Redemption (as described above), the New Notes are to be redeemed as described below:
- (i) 5% of the Issue Amount on or before the date falling nine months after the Restructuring Effective Date;
 - (ii) an additional 15% of the Issue Amount on or before the date falling 15 months after the Restructuring Effective Date;
 - (iii) an additional 10% of the Issue Amount on or before the date falling 21 months after the Restructuring Effective Date;
 - (iv) an additional 10% of the Issue Amount on or before the date falling 27 months after the Restructuring Effective Date; and
 - (v) any remaining outstanding principal amount of the New Notes shall be redeemed in full on or before the New Notes Maturity Date.

Each redemption described above shall be made at a redemption price equal to 100% of the principal amount of the New Notes redeemed plus accrued and unpaid interest on the New Notes redeemed up to but excluding the relevant redemption date.

26. Pursuant to and subject to the terms of the Scheme, the New Notes will be provided to the Scheme Creditors, on the Restructuring Effective Date, principally in exchange for:
- a. the cancellation of the Existing Notes;
 - b. the termination of the guarantees in connection with the Existing Notes; and
 - c. each Scheme Creditor agreeing that it shall fully release all of its claims against (among others) the Company, any and all of the subsidiaries of the Company, including the Existing Notes Subsidiary Guarantors, the Company's shareholders, as well as the Company's directors/managers/officers (or equivalent), in each case, under or in connection with (among other things) the Existing Notes, including the guarantees granted in connection with the Existing Notes and the Indentures.
27. The Scheme will be effective on the Scheme Effective Date, which will occur on, and subject to the satisfaction of, the following conditions:

- a. the Scheme being approved by the requisite majority of the Scheme Creditors at the Scheme Meeting (as defined below); and
 - b. the sanction of the Scheme (with or without modification) by an order of the Cayman Court, which order is duly filed with the Registrar of Companies in the Cayman Islands.
28. The Scheme Creditors will be the Noteholders as at the Record Time. For the avoidance of doubt, the Scheme Creditors will exclude the Existing Notes Common Depository and the Existing Notes Trustees who will each undertake not to vote in respect of the Existing Notes at the Scheme Meeting.

Orders and Directions

29. The Company intends to make an application for, among other things, orders and directions from the Court:
- a. that the relevant class of Scheme Creditor affected by Scheme is the Noteholders as at the Record Time;
 - b. that the Company be at liberty to convene a single meeting of the Scheme Creditors (the "**Scheme Meeting**"), forming one class, for the purpose of considering, and if thought fit, approving (with or without modification) the Scheme;
 - c. as to the mode of delivery of the Scheme Document (which includes the Explanatory Statement and notice of the Scheme Meeting) to the Scheme Creditors and that record dates be set for: (i) the dispatch of the Scheme; and (ii) voting at the Scheme Meeting; and
 - d. as to the appointment of a Chairman of the Scheme Meeting, and for directions that the Chairman of the Scheme Meeting should report the result thereof to the Court.
30. The resolution intended to be put to the Scheme Creditors at the Scheme Meeting is:
- ["THAT the Scheme of Arrangement, a copy of which has been tabled at this Scheme Meeting, be approved subject to any modification, addition or condition which the Grand Court of the Cayman Islands may think fit to approve or impose which would not directly or indirectly have a material adverse effect on the rights of the Scheme Creditors."]*

YOUR PETITIONER, THE COMPANY, THEREFORE HUMBLY PRAYS:

- (1) That the Scheme may be sanctioned by the Court so as to be binding on each party thereto in accordance with its terms.
- (2) That, to this end, all necessary inquiries may be made and directions may be given.
- (3) Such further or other relief as the Court shall see fit.

AND your Petitioner will ever pray etc.

DATED this 26th day of January 2022



Conyers Dill & Pearman LLP

Attorneys-at-Law for the Petitioner herein

This Petition is presented by Conyers Dill & Pearman LLP, Attorneys-at-Law, for and on behalf of the Petitioner, whose address for service is that of its said Attorneys-at-Law, Second Floor, SIX, Cricket Square, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands

Notice of Hearing

This Petition, having been presented to the Court on the day of
Law Courts, George Town, Grand Cayman on the day of
soon thereafter as the Petition can be heard.

2022 will be heard at the
2022 at am/pm or as