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**China Ecotourism Group Limited**

**中國生態旅遊集團有限公司**

*(Incorporated in Bermuda with limited liability)*

*(Stock Code: 1371)*

## **PROPOSED EXCHANGE OF OUTSTANDING CONVERTIBLE BONDS INTO NEW BONDS**

References are made to the announcements of China Ecotourism Group Limited (the “**Issuer**” or the “**Company**”) dated 10 March 2017, 16 March 2017, 24 March 2017, 7 April 2017, 7 November 2017, 26 April 2018, 22 March 2019, 28 March 2019, 1 November 2019, 4 November 2019, 23 April 2020, 28 April 2020, 27 April 2021, 3 May 2021, 10 June 2021, 1 November 2021, 3 November 2021, 4 May 2022 and 5 May 2022 (the “**Announcements**”) relating to the New Option 1 Bonds. Unless the context otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

The directors of the Company hereby announce that the Company has proposed to the holders of the New Option 1 Bonds (the “**Bondholders**”) to approve the extraordinary resolution (the “**Extraordinary Resolution**”) be passed by the Bondholders by way of electronic consent communicated through Euroclear Bank SA/NV and Clearstream Banking S.A. (the “**Clearing Systems**”) under and in accordance with the Trust Deed by way of electronic consent (the “**Electronic Consent**”). Pursuant to the Trust Deed, the holders of not less than 90% in principal amount of the New Option 1 Bonds outstanding are entitled to pass an Extraordinary Resolution by the Electronic Consent.

### **EXCHANGE PROPOSAL**

The Company proposed the exchange of the entire aggregate principal amount of the New Option 1 Bonds currently outstanding and the interest accrued thereon for new unlisted bonds (the “**New Bonds**”), and is requesting the Bondholders to consider and, if thought fit, approve and pass the Extraordinary Resolution to approve and accept the exchange of the New Bonds on dollar to dollar basis (the “**Exchange Proposal**”).

As at the date of this announcement, the principal amount of the New Option 1 Bonds outstanding is HK\$154,162,000.

As disclosed in the announcement of the Company dated 30 May 2025, the Company intends to pursue a debt restructuring involving a scheme of arrangement to be entered into between the Company and the creditors. Given that the New Option 1 Bonds is governed by English law and the New Bonds will be governed by Hong Kong law, the Company considers that the Exchange Proposal, if materialized, will be able to save time and costs of the Company in implementing the proposed scheme of arrangement.

## KEY SUMMARY OF THE NEW BONDS

<b>Issuer:</b>	the Company
<b>Principal amount:</b>	An aggregate principal amount of up to HK\$195,410,431.67
<b>Form and denomination:</b>	The New Bonds will be issued in registered form and in the denomination of HK\$1,000,000 each and integral multiples of HK\$1,000 in excess thereof (each, an “ <b>Authorised Denomination</b> ”)
<b>Maturity Date:</b>	10 July 2025 (the “ <b>Maturity Date</b> ”)
<b>Interest rate and payment:</b>	7% per annum on the outstanding principal amount thereof. Interest shall be accrued daily on a 365 days basis and is payable annually in arrears.
<b>Default interest:</b>	2% per annum above the rate aforesaid
<b>Security:</b>	unsecured
<b>Ranking:</b>	The New Bonds constitute direct, unsubordinated, unsecured and unconditional obligations of the Company and the New Bonds shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the New Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to condition in relation to the negative pledge in relation to creation or permission to subsist or arising any security interest, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations. No application will be made for the listing of the New Bonds.
<b>Transferability:</b>	<p>Subject to condition in relation to the closed period, a New Bond may be transferred by delivery of the certificate issued in respect of that New Bond, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorised in writing, to the specified office of the registrar, together with such evidence as the registrar may require to prove the title of the transferor and the authority of the individuals who have executed the form of the transfer; provided however that a New Bond may not be transferred unless the original principal amount of the New Bond transferred, and (where not all of the New Bonds held by the holder are being transferred) the original principal amount of the balance of the New Bonds not so transferred, is an Authorised Denomination.</p> <p>Save with the consent of the Company and in compliance with all applicable laws, rules and regulations, including but not limited to the Listing Rules, none of the New Bonds may be transferred to a “connected person” (as defined in the Listing Rules) of the Issuer.</p>

<b>Final Redemption:</b>	Unless previously redeemed or purchased and cancelled as provided herein, the Company will redeem the New Bonds on the Maturity Date.
<b>Events of default:</b>	Usual and customary events including, among others, (i) non-payment; (ii) breach of other obligations; (iii) insolvency; (iv) cross default; (v) enforcement proceedings; (vi) security enforced; (vii) winding-up; (viii) nationalisation; (ix) authorisation and consents; (x) illegality; and (xi) analogous events.
<b>Governing law:</b>	The New Bonds shall be governed by, and construed in accordance with the laws the Hong Kong Special Administrative Region of the People's Republic of China.

## **INDICATIVE TIMELINE**

Subject to the passing of the Extraordinary Resolution, it is expected that the Exchange Proposal will be implemented on or about 9 July 2025, the date on which the New Option 1 Bonds will be cancelled and the Company will issue and deliver the New Bonds to Bondholders.

**If any Bondholder is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Bonds are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Electronic Consent.**

**If the Extraordinary Resolution is passed, it will be binding on each Bondholder, whether or not votes attributable to such Bondholder's holding were cast.**

**Shareholders and potential investors of the Company should be aware that the Exchange Proposal is subject to the passing of the Extraordinary Resolution, and therefore the Exchange Proposal may or may not take effect. Shareholders and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**China Ecotourism Group Limited**  
**ZHU Xinxin**  
 Director and Chief Executive Officer

Hong Kong, 13 June 2025

As at the date of this announcement, the Board comprises Ms. ZHU Xinxin and Mr. DI Ling as Executive Directors; and Dr. MENG Zhijun and Mr. DUAN Xinxiao as Independent Non-executive Directors.