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Nuoxi Capital Limited
(諾熙資本有限公司)

(the "Issuer")

(incorporated with limited liability in the British Virgin Islands)

EUR80,000,000 4.75 per cent. Guaranteed Bonds due 2021 (Stock Code: 5484)

U.S.\$300,000,000 7.45 per cent. Guaranteed Bonds due 2022 (Stock Code: 5996)

U.S.\$350,000,000 7.50 per cent. Guaranteed Bonds due 2022 (Stock Code: 5704)

U.S.\$250,000,000 7.875 per cent. Guaranteed Bonds due 2021 (Stock Code: 5365)

(together, the "Bonds")

unconditionally and irrevocably guaranteed by

Peking University Founder Group Company Limited ("Founder Group")
(incorporated with limited liability in the People's Republic of China)



INSIDE INFORMATION

This announcement is made by the Issuer and Founder Group jointly pursuant to Rules 37.47, 37.47A and 37.47B of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

EVENT OF DEFAULT

Under the terms and conditions (the "**Nuoxi 5996 Bonds Conditions**") of U.S.\$300,000,000 7.45 per cent. Guaranteed Bonds due 2022 (Stock Code: 5996) (the "**Nuoxi 5996 Bonds**"), it is an event of default if there is a failure to pay interest on any of the Nuoxi 5996 Bonds when due and such failure continues for a period for seven days. The Nuoxi 5996 Bonds Conditions provide that an interest payment in respect of the Nuoxi 5996 Bonds will be due on 16 October 2020. As of the date of this announcement, such payment is not expected to be made by the Issuer or Founder Group and such non-payment of interest is expected to continue for more than seven days. As such, the Issuer and Founder Group are of the view that such non-payment of interest will constitute an event of default under the Nuoxi 5996 Bonds Conditions.

CROSS-DEFAULT

The Issuer is aware that Kunzhi Limited ("**Kunzhi**") and Founder Information (Hong Kong) Limited ("**Founder Information**") are not able to make the interest and principal payment which will be due and payable on 17 October 2020 in respect of the U.S.\$490,000,000 6.25 per cent. Guaranteed Bonds due 2020 (Stock Code: 4464) (the "**Kunzhi 4464 Bonds**") issued by Kunzhi, guaranteed by Founder Information with the benefit of a keepwell deed and a deed of equity interest purchase undertaking provided by Founder Group. Such failure to make interest payment in respect of the Kunzhi 4464 Bonds is expected to continue for more than seven days, which is the grace period prescribed under the terms and conditions of Kunzhi 4464 Bonds.

The Issuer and Founder Group are of the view that the failure to make interest and principal payment in respect of the Kunzhi 4464 Bonds by Kunzhi and Founder Information and the failure to make interest payment in respect of the Nuoxi 5996 Bonds by the Issuer and Founder Group as described in this announcement will constitute a cross-default under the terms and conditions of EUR80,000,000 4.75 per cent. Guaranteed Bonds due 2021 (Stock Code: 5484), U.S.\$350,000,000 7.50 per cent. Guaranteed Bonds due 2022 (Stock Code: 5704) and U.S.\$250,000,000 7.875 per cent. Guaranteed Bonds due 2021 (Stock Code: 5365).

Reference is made to the announcement by the Issuer dated 27 February 2020, the Issuer and Founder Group will not be able to make repayment to individual creditor of the Bonds during the procedure of reorganisation of Founder Group.

CONTINUED SUSPENSION OF TRADING IN THE BONDS

Trading in the Bonds on the Stock Exchange, which was suspended with effect from 9:00 a.m. on Monday, 24 February 2020, remains suspended and will continue to be so until further notice.

The Issuer will keep holders of the Bonds updated by way of further announcement(s) as and when appropriate. Bondholders are advised to exercise caution when dealing in the securities of the Issuer and Founder Group.

By Order of the Board
Nuoxi Capital Limited
XI Wang
Sole director

Beijing, 15 October 2020

As at the date of this announcement, the sole director of the Issuer is Mr. XI Wang.

As at the date of this announcement, the directors of Founder Group are Mr. SHENG Yu Hai, Mr. XIAO Jian Guo, Mr. XIE Ke Hai, Mr. XIAO Qun, Mr. CHEUNG Shuen Lung and Mr. ZHOU Fu Min.