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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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*If you have sold or transferred all your shares in Sunshine Oilsands Ltd., you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities, the bank manager, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.*

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阳光油砂

SUNSHINE OILSANDS LTD.

陽光油砂有限公司\*

*(a corporation incorporated under the Business Corporations Act of the Province of Alberta, Canada with limited liability)*

**(HK stock code: 2012)**

Suite 1100, 700 - 6th Ave SW  
Calgary, AB, T2P 0T8  
Canada  
Telephone: 1-403-984-1450  
Fax: 1-403-455-7674

**SUPPLEMENTARY CIRCULAR**

**IN RELATION TO**

- (1) PROPOSED CONVERSION OF CONVERTIBLE BONDS BY CONNECTED PERSON;  
(2) APPLICATION FOR WHITEWASH WAIVER  
AND  
(3) POSTPONEMENT OF SPECIAL GENERAL MEETING**



Donvex Capital Limited  
富域資本有限公司

**Independent Financial Adviser  
to the Independent Board Committee and Independent Shareholders**

March 1, 2021

*\* for identification purpose only*

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## LETTER FROM THE BOARD

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Calgary, AB, T2P 0T8  
Canada

Telephone: 1-403-984-1450

Fax: 1-403-455-7674

March 1, 2021

*To the Shareholders  
and the holders of securities of the Corporation*

Dear Sir / Madam,

### SUPPLEMENTAL INFORMATION

**in relation to**

- (i) **Proposed Conversion of Convertible Bonds by Connected Person;**
- (ii) **Application for Whitewash Waiver**
- and**
- (iii) **Postponement of Special General Meeting**

### INTRODUCTION

This circular should be read in conjunction with the circular dated February 3, 2021 (the “**Original Circular**”) of the Corporation.

Reference is made to (i) the announcement and the circular issued by Sunshine Oilsands Ltd (“**Sunshine**” or the “**Corporation**”) dated April 1, 2020 (Hong Kong time) and April 24, 2020 (Hong Kong time) respectively in relation to, among others, the Subscription of CB by the Subscriber; (ii) the poll results announcement dated May 25, 2020 (Hong Kong time) in relation to the poll results of the special general meeting held by the Corporation on May 25, 2020 (Hong Kong time); (iii) the announcement and the Original Circular dated October 16, 2020 (Hong Kong time) and February 3, 2021 (Hong Kong time) respectively relating to, among others, the Proposed Conversion of CB in full by the Subscriber and the application for Whitewash Waiver and (iv) the announcement dated February 8, 2021 (Hong Kong time) (the “**Interest Waiver Announcement**”) in relation to the interest waiver agreement entered into between the Forbearing Noteholders and the Corporation.

*\* for identification purpose only*

Unless defined otherwise, terms used herein shall have the same meanings as those defined in the Original Circular and the Interest Waiver Announcement.

The purpose of this supplementary circular is to provide information on (i) advice of the Independent Financial Adviser in relation to the Whitewash Waiver subsequent to the Waiver of Interest (as defined below); (ii) validity of previously published profit forecast under Rule 10 of the Takeovers Code; (iii) other information as required under the Listing Rules and the Takeovers Code; and (iv) the postponement of SGM and proxy arrangement, subsequent to the Waiver of Interest (as defined below).

### **ADVICE OF THE INDEPENDENT FINANCIAL ADVISER IN RELATION TO THE WHITEWASH WAIVER SUBSEQUENT TO THE WAIVER OF INTEREST**

As disclosed in the Interest Waiver Announcement, after the dispatch of the Original Circular, the Corporation and the Forbearing Holders entered into the Interest Waiver Agreement, pursuant to which the Forbearing Holders agreed to unconditionally and irrevocably waive the interest accrued during the period from January 1, 2020 to December 31, 2020 at 10.0% per annum on the outstanding amounts (principal and interests) under the Forbearance Reinstatement and Amending Agreement (“**FRAA**”) dated April 24, 2020 (the “**Waiver of Interest**”) which amounted to approximately US\$31.5 million (equivalent to approximately HK\$244.4 million).

#### **Principal factors considered by Independent Financial Adviser**

The Independent Financial Adviser, i.e. Donvex Capital Limited (“**Donvex Capital**”), after taking into consideration of the following principal factors, updated their advice in respect of the Conversion and the Whitewash Waiver:-

- a) As advised by the Directors, the Forbearing Holders are institutional investors in North America, who do not hold any shareholding interest in the Corporation and/or its subsidiaries. As such, the Noteholders are independent from the Group and therefore they are not aware of any implication under Rule 25 of the Takeovers Code; and
- b) Taking into account the Waiver of Interest, the unaudited net loss attributable to the Shareholders for 6M2020 shall decrease from approximately CDN\$27.1 million to CDN\$5.7 million, and the unaudited total liabilities of the Group as at June 30, 2020 shall decrease from CDN\$618.0 million to CDN\$596.6 million. Despite the Waiver of Interest would improve the financial performance of the Group and reduce the its total liabilities, the Independent Financial Adviser consider that the Corporation may still not have sufficient fund to redeem the CB principal plus interests of HK\$83.5 million when it falls due on March 31, 2022, given:
  - (i) the Waiver of Interest does not generate any cash inflow to the Corporation and the Group only had approximately CDN\$0.8 million (equivalent to approximately HK\$5 million) cash on hand as at December 31, 2020; and
  - (ii) the Group would still record high debt-to-equity ratio of approximately 185.0% and net loss position after the Waiver of Interest. As such, it may be difficult to obtain additional financing from the external market to redeem the CB at maturity.

Save for the above, they are not aware of any material changes in information previously published in the Original Circular.

Having considered the above factors, the Independent Financial Adviser confirmed to the Independent Board Committee that their opinion in relation to the fairness and reasonableness of the Conversion and the Whitewash Waiver remain unchanged.

Accordingly, they recommend (a) the Independent Board Committee to advise the Independent Shareholders to vote in favor of the resolutions to be proposed at the SGM to approve the Conversion and the Whitewash Waiver; and (b) the Independent Shareholders to vote in favor of the resolutions in this regard.

For full details in relation to their analysis and opinion, please refer to the section headed “**Letter from Donvex Capital**” set out in the Original Circular, and the “**Supplementary Letter from Donvex Capital**” set out in this supplementary circular.

Having considered the Waiver of Interest and the factors set out in the Supplementary Letter from Donvex Capital, the point of view of each of the Independent Board Committee members remains unchanged. Details are set out in the “**Supplementary Letter from Independent Board Committee**”.

#### **VALIDITY OF PREVIOUSLY PUBLISHED PROFIT FORECAST UNDER RULE 10 OF THE TAKEOVERS CODE**

Pursuant to Rule 10 of the Takeovers Code, the estimated results of the Group for the 10-month ended October 31, 2020 (the “**Profit Forecast**”) as contained in the Original Circular constitutes a profit forecast and which must be reported on by the financial adviser, i.e. Donvex Capital and the auditors, i.e. Prism CPA Limited (“**Prism**”), and their reports must be included in the document addressed to the Corporation’s Shareholders in connection with the Proposed Conversion and the Whitewash Waiver.

The reports issued by Prism and Donvex Capital in relation to the Profit Forecast are set out in Appendices III and IV to the Original Circular, respectively.

The Board has reassessed the Profit Forecast after taking into consideration the impact of the Waiver of Interest, and considers that it has no impact on the Profit Forecast. As such, the Board has confirmed that the Profit Forecast remains valid for the purposes of the Proposed Conversion and the Whitewash Waiver.

Both Donvex Capital and Prism who reported on the Profit Forecast have indicated that they have no objection to their reports continuing to apply given the Waiver of Interest.

Prism and Donvex Capital have given and have not withdrawn its consent to the issue of this supplementary circular with the inclusion of its report and references to its name and logo in the form and context in which they respectively appear (if applicable).

#### **FINANCIAL INFORMATION RELATING TO THE GROUP**

The Directors have confirmed that saved as the adjustment that needed to be made in respect of the Waiver of Interest, there is no change to the material change section as disclosed in the paragraph headed “**4. Material Change**” in Appendix I to the Original Circular.

## **NO MATERIAL CHANGE IN INFORMATION PREVIOUSLY PUBLISHED**

In accordance with Rule 8.5 of the Takeovers Code, as at February 26, 2021, being the latest practicable date prior to the printing of this supplementary circular for the purpose of ascertaining the information as contained herein (the “**Latest Practicable Date**”) :-

- A. save as the entering into of the Interest Waiver Agreement, there has been no material change or additions in the information set out under the section headed “**10. MATERIAL CONTRACTS**” in Appendix II to the Original Circular;
- B. (i) there has been no change in the information set out under the section headed “**3. NUMBER OF SHARES IN ISSUE**” in Appendix II to the Original Circular;  
  
(ii) there has been no dealings as set out in the section headed “**7. DISCLOSURES REQUIRED UNDER THE TAKEOVER CODE**” and no change in the shareholdings as set out in the section headed “**5. DISCLOSURE OF INTERESTS**” as set out in Appendix II to the Original Circular;
- C. there has been no change in the information in respect of any Directors’ emoluments as set out in the Original Circular;
- D. there has been no material change in the information set out under the section headed “**7. DISCLOSURES REQUIRED UNDER THE TAKEOVERS CODE**” in Appendix II to the Original Circular;
- E. there has been no material change in the information in respect of arrangements in relation to the dealings in Shares set out in the Original Circular;
- F. there has been no change in the ultimate owner of the Offeror since the date of dispatch of the Original Circular up to the Latest Practicable Date; and
- G. there has been no change in service contracts of Directors as set out in the section headed “**6. INTERESTS OF THE DIRECTORS**” in Appendix II to the Original Circular.

Save as disclosed in this supplementary circular, there has been no material change to all other information set out in the Original Circular.

## **POSTPONEMENT OF SGM AND PROXY ARRANGEMENT**

The SGM originally scheduled to be held on Friday, February 26, 2021 at 10:00 a.m. (Hong Kong Time) / Thursday, February 25, 2021 at 7:00 p.m. (Calgary Time), to consider and approve the Proposed Conversion and the Whitewash Waiver will be postponed to Friday, March 5, 2021 at 10:00 a.m. (Hong Kong time) / Thursday, March 4, 2021 at 7:00 p.m. (Calgary time).

The proxy form for use at the SGM enclosed with the Original Circular (the “**Proxy Form**”) remain valid other than corresponding adjustments to reflect the change of the SGM date. Shareholders who have not yet returned the Proxy Form are advised to complete and return the Proxy Form in accordance with the instructions printed thereon to:-

- i) the Corporation's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, at least than 48 hours (i.e. 10:00 a.m. on Wednesday, March 3, 2021(Hong Kong time)) before the time appointed for holding of the postponed SGM or any adjournment thereof, at which the Proxy is to be used; or
- ii) the Corporation's principal share registrar in Canada, Alliance Trust Company at Suite 1010, Suite 1010, 407 — 2nd Street SW, Calgary, Alberta, Canada T2P 2Y3 at least 48 hours before the SGM (i.e. by no later than 7:00 p.m. on Tuesday, March 2, 2021 (Calgary Time)) before the time appointed for holding of the postponed SGM or any adjournment thereof, at which the Proxy is to be used.

For the avoidance of doubt, any Proxy Form duly completed and returned in accordance with the instructions printed thereon remains valid for the postponed SGM and the relevant Shareholders are not required to return another Proxy Form. If any Shareholder chooses to re-submit the Proxy Form, the last Proxy Form received will revoke and supersede the Proxy Form previously submitted by such Shareholder.

Save as disclosed herein, the venue, attendance eligibility, resolutions to be considered at and other relevant matters of the SGM shall remain unchanged. For details, please refer to the Notice and the Original Circular.

#### **DOCUMENTS AVAILABLE FOR INSPECTION**

In addition to the list of documents set out under the section headed “**15. DOCUMENTS AVAILABLE FOR INSPECTION**” in Appendix II to the Original Circular, (i) the Supplementary Letter from Independent Board Committee, (ii) the Supplementary Letter from Donvex Capital as well as (iii) the Interest Waiver Agreement are available for inspection:-

(a) at the principal place of business of the Corporation, at 20/F, Two Chinachem Central, No.26 Des Voeux Road Central, Central, Hong Kong during normal business hours;

(b) on the website of the SFC ([www.sfc.hk](http://www.sfc.hk)); and

(c) on the website of the Corporation (<http://www.sunshineoilsands.com/>) from the Latest Practicable Date up to and including the date of the SGM.

#### **IMPORTANT**

**This supplementary circular is supplemental to and should be read in conjunction with the Original Circular.**

**Shareholders and potential investors of the Corporation should note that the Whitewash Waiver is a possibility only and may not be granted by the Executive.**

**The Conversion is subject to the passing of resolutions mentioned above and the granting of Whitewash Waiver by the Executive of SFC. As the Conversion may or may not proceed, Shareholders and potential investors of the Corporation are advised to exercise caution when dealing in the Shares and other securities of the Corporation. Persons who are in doubt as to the action to be taken should consult their stockbroker, bank manager or other professional advisers.**

## **INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed in the Original Circular and this supplementary circular, the management of the Corporation is not aware of any material interest of any Director or executive officers or anyone who has held office as such since the beginning of the Corporation's last financial year or any "informed person" of the Corporation (as defined under applicable Canadian securities laws) or of any associate or affiliate of any of the foregoing in any matter to be acted on at the SGM.

## **GENERAL**

Your attention is also drawn to the Supplementary Letter from Independent Board Committee, the Supplementary Letter from Donvex Capital and the additional information set out in this supplementary circular.

Additional information relating to the Corporation is available on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

Financial information is provided for in the Corporation's financial statements and management's discussion and analysis for the year ended December 31, 2019. Documents affecting the rights of security holders, along with other information relating to the Corporation, may be found on the Corporation's website at [www.sunshineoilsands.com](http://www.sunshineoilsands.com).

## **DIRECTORS**

As at the Latest Practicable Date, the Board consists of Mr. Kwok Ping Sun and Ms. Gloria Pui Yun Ho as executive directors; Mr. Michael John Hibberd, Ms. Linna Liu and Ms. Xijuan Jiang as non-executive directors; and Mr. Yi He, Mr. Alfa Li and Mr. Guangzhong Xing as independent non-executive directors.

## **RESPONSIBILITY STATEMENT**

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this supplementary circular (other than the information relating to the Subscriber) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this supplementary circular have been arrived at after due and careful consideration and there are no other facts not contained in this supplementary circular, the omission of which would make any statement in this supplementary circular misleading.

The sole director of the Subscriber accepts full responsibility for the accuracy of the information contained in this supplementary circular (other than the information relating to the Corporation) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this supplementary circular have been arrived at after due and careful consideration and there are no other facts not contained in this supplementary circular, the omission of which would make any statement in this supplementary circular misleading.



**DIRECTORS' APPROVAL**

The contents and sending of this supplementary circular have been approved by the Board.

**BY ORDER OF THE BOARD OF DIRECTORS  
SUNSHINE OILSANDS LTD.**

(signed) "Kwok Ping Sun"

**Kwok Ping Sun**

*Executive Chairman*

Calgary, Alberta, March 1, 2021

Hong Kong, March 1, 2021



阳光油砂

*(a company incorporated under the Business Corporations Act of  
the Province of Alberta, Canada with limited liability)*

**(HKEX: 2012)**

March 1, 2021

*To the Independent Shareholders*

Dear Sir / Madam,

### **SUPPLEMENTAL INFORMATION**

- (I) PROPOSED CONVERSION OF CONVERTIBLE BONDS  
BY CONNECTED PERSON UNDER SPECIFIC MANDATE  
AND  
(II) APPLICATION FOR WHITEWASH WAIVER**

We refer to the supplementary circular dated March 1, 2021 issued by the Corporation (the “**Supplementary Circular**”), of which this letter forms part. Capitalized terms used in this Supplementary Circular have the same meanings when used in this letter, unless the context otherwise requires.

We noted that following the dispatch of the Original Circular, the Corporation and the Forbearing Holders entered into the Interest Waiver Agreement, pursuant to which the Forbearing Holders agreed to unconditionally and irrevocably waive the interest accrued during the period from January 1, 2020 to December 31, 2020 at 10.0% per annum on the outstanding amounts (principal and interests) under the FRAA. Details are set out in the “**Letter from the Board**” as contained in this Supplementary Circular. None of the members of the Independent Board Committee have any direct or indirect interest in the Conversion, the Whitewash Waiver and the Waiver of Interest.

Donvex Capital, being the Independent Financial Adviser, has to advise the Independent Board Committee and the Independent Shareholder the impact of the Waiver of Interest on the Conversion and the Whitewash Waiver.

We wish to draw your attention to the “**Supplementary Letter from Donvex Capital**” which contain its advice and analysis in relation to the impact of the Waiver of Interest on the Conversion and the Whitewash Waiver as set out at page 13 in the Supplementary Circular. Your attention is also drawn to the other information set out in this Supplementary Circular.

*\* For identification purposes only*

Shareholders should note that there's a divergence of view between the Independent Board Committee members. Ms. Linna Liu, who represents one of the Shareholder of the Corporation, Bank of China Group Investment Limited, having considered the Waiver of Interest as well as the analysis and advice set out in the Supplementary Letter from Donvex Capital, remains her point of view unchanged, given that the Waiver of interest has no impact on her concern that the Conversion at the moment would have potential impact on the Share price if the Subscriber sells the Conversion Shares below market price and therefore the Conversion is not in the interests of all Shareholders.

All other Independent Board Committee members, namely, Messrs. Yi He, David, Guangzhong Xing and Alfa Li, assessed and considered the Waiver of Interest, the principal factors and the analysis set out in the "**Supplementary Letter from Donvex Capital**" where Donvex Capital stated that, having considered the following factors, their opinion in relation to the fairness and reasonableness of the Conversion and the Whitewash Waiver remain unchanged given the Waiver of Interest.

- a) As advised by the Directors, the Forbearing Holders are institutional investors in North America, who do not hold any shareholding interest in the Corporation and/or its subsidiaries. As such, the Forbearing Holders are independent from the Group and therefore they are not aware of any implication under Rule 25 of the Takeovers Code; and
- b) Taking into account the Waiver of Interest, the unaudited net loss attributable to the Shareholders for 6M2020 shall decrease from approximately CDN\$27.1 million to CDN\$5.7 million, and the unaudited total liabilities of the Group as at June 30, 2020 shall decrease from CDN\$618.0 million to CDN\$596.6 million. Despite the Waiver of Interest would improve the financial performance of the Group and reduce the its total liabilities, Donvex Capital consider that the Corporation may still not have sufficient fund to redeem the CB principal plus interests of HK\$83.5 million when it falls due on March 31, 2022, given:
  - i. the Waiver of Interest does not generate any cash inflow to the Corporation and the Group only had approximately CDN\$0.8 million (equivalent to approximately HK\$5 million) cash on hand as at December 31, 2020; and
  - ii. the Group would still record high debt-to-equity ratio of approximately 185.0% and net loss position after the Waiver of Interest. As such, it may be difficult to obtain additional financing from the external market to redeem the CB at maturity.

Given the Waiver of Interest, taking into account the principal factors and analysis from Donvex Capital, all the Independent Board Committee members (excluding Ms. Linna Liu) consider the Conversion and the Whitewash Waiver are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Corporation and its Independent Shareholders as a whole.

Accordingly, the Independent Board Committee members (excluding Ms. Linna Liu) advise the Independent Shareholders to vote in favor of the resolutions to be proposed at the SGM to approve the Conversion and the Whitewash Waiver.

Yours faithfully,  
For and on behalf of the  
*Independent Board Committee*

**Linna Liu**

*Non-Executive  
Director*

**Yi He, David**

*Independent Non-  
Executive Director*

**Guangzhong  
Xing**

*Independent Non-  
Executive Director*

**Alfa Li**

*Independent Non-  
Executive Director*

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## SUPPLEMENTARY LETTER FROM DONVEX CAPITAL

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*The following is the supplemental letter from Donvex Capital Limited setting out their advice to the Independent Board Committee and the Independent Shareholders in respect of the Conversion and the Whitewash Waiver.*



Unit 2501-2502, 25<sup>th</sup> Floor  
Carpo Commercial Building  
18-20 Lyndhurst Terrace  
Central  
Hong Kong

March 1, 2021

*The Independent Board Committee and the Independent Shareholders of  
Sunshine Oilsands Limited*

Dear Sir/Madam,

### APPLICATION FOR WHITEWASH WAIVER

#### INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Conversion and the Whitewash Waiver, details of which are set out in (i) the circular of the Corporation dated February 3, 2021 (the “**Circular**”); and (ii) the supplemental circular of the Corporation dated March 1, 2021 (the “**Supplemental Circular**”). Terms used herein have the same meanings as those defined in the Circular, the Supplemental Circular and the Interest Waiver Announcement (as defined below) unless otherwise stated.

Reference is also made to the announcement of the Corporation dated February 8, 2021 in relation to the interest waiver agreement with noteholders (the “**Interest Waiver Announcement**”). After the despatch of the Circular, the Corporation and the Forbearing Holders entered into the Interest Waiver Agreement, pursuant to which, the Forbearing Holders agreed to unconditionally and irrevocably waive the interest accrued during the period from January 1, 2020 to December 31, 2020, amounting to approximately US\$31.5 million.

#### UPDATED PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion and recommendation in respect of the Conversion and the Whitewash Waiver, we have taken into consideration the following updated principal factors:

##### **The Waiver of Interest**

On April 24, 2020, the Corporation and the Forbearing Holders entered into a forbearance reinstatement and amending agreement on April 24, 2020 (the “**FRAA**”), under which the maturity of the senior note with principal amount of USD 200 million and its accrued interest were extended to August 31, 2021. The interest rate of the USD200 million Senior Notes is 10% per annum.

On February 5, 2021, the Corporation and the Forbearing Holders entered into the Interest Waiver Agreement, pursuant to which, the Forbearing Holders agreed to unconditionally and irrevocably waive the interest accrued during the period from January 1, 2020 to December 31, 2020, amounting to approximately US\$31.5 million (equivalent to approximately HK\$244.4 million) (the “**Waiver of Interest**”). Save for the Waiver of Interest, all other terms and conditions under the FRAA remain unchanged.

The Board believes that the entering into the Interest Waiver Agreement is in the interests of the Corporation and the Shareholders as a whole, given that the Waiver of Interest will reduce the liability of the Corporation.

### *Our Analysis*

In view of the update above, we have considered the following principal factors:

- a) As advised by the Directors, the Forbearing Holders are institutional investors in North America, who do not hold any shareholding interest in the Corporation and/or its subsidiaries. As such, the Forbearing Holders are independent from the Group and therefore we are not aware of any implication under Rule 25 of the Takeovers Code; and
- b) Taking into account the Waiver of Interest, the unaudited net loss attributable to the Shareholders for 6M2020 shall decrease from approximately CDN\$27.1 million to CDN\$5.7 million, and the unaudited total liabilities of the Group as at June 30, 2020 shall decrease from CDN\$618.0 million to CDN\$596.6 million. Despite the Waiver of Interest would improve the financial performance of the Group and reduce the its total liabilities, we consider that the Corporation may still not have sufficient fund to redeem the CB principal plus interests of HK\$83.5 million when it falls due on March 31, 2022, given:
  - (i) the Waiver of Interest does not generate any cash inflow to the Corporation and the Group only had approximately CDN\$0.8 million (equivalent to approximately HK\$5 million) cash on hand as at December 31, 2020; and
  - (ii) the Group would still record high debt-to-equity ratio of approximately 185.0% and net loss position after the Waiver of Interest. As such, it may be difficult to obtain additional financing from the external market to redeem the CB at maturity.

Save for the above, we are not aware of any material changes in information previously published in the Circular.

### **CONCLUSION**

Having considered the above factors, we confirm to the Independent Board Committee that our opinion in relation to the fairness and reasonableness of the Conversion and the Whitewash Waiver shall remain unchanged.

Accordingly, we recommend (a) the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the Conversion and the Whitewash Waiver; and (b) the Independent Shareholders to vote in favour of the resolutions in this regard.

For further details in relation to our analysis and opinion, please refer to the section headed “**Letter from the Donvex Capital**” in the Circular.

Yours faithfully,  
For and on behalf of  
**Donvex Capital Limited**  
**Doris Sy**  
*Director*