



IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 44 OF 2020

IN THE MATTER OF EQUITABLE SHARE MORTGAGE DATED 17 FEBRUARY 2015 BETWEEN ASIA PACIFIC RESOURCES DEVELOPMENT INVESTMENT LIMITED AND CHINA MINSHENG BANKING CORP., HONG KONG BRANCH AND NOBAO RENEWABLE ENERGY HOLDINGS LIMITED

AND IN THE MATTER OF GCR ORDER 50, RULE 11



AFFIRMATION OF IP KOON TUNG

I, IP Koon Tung of 40/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong SAR, SINCERELY AND TRULY AFFIRM AND SAY as follows:

1. I am IP Koon Tung, Chief Risk Officer of the China Minsheng Banking Corp., Ltd, Hong Kong Branch (the "**Applicant**"). I am duly authorized to make this affirmation on behalf of the Applicant, a company incorporated under the laws of the People's Republic of China and registered in Hong Kong SAR having its registered office at 40/F., Two International Finance Centre, 8 Finance Street, Central, Hong Kong SAR.
2. I make this affirmation pursuant to Order 50, rule 11(2)(a) of the Grand Court Rules in support of the Stop Notice annexed hereto.
3. There is now produced and shown to me a bundle of true copy documents marked "**Exhibit-1**" to which I shall refer in this affirmation. A reference to a page number in this affirmation is a reference to the corresponding page number in Exhibit-1.
4. Asia Pacific Resources Development Investment Limited (the "**Mortgagor**") is the legal owner of 122,041,888 ordinary shares (as shown in the Register of Members) (the "**Shares**") in Nobao Renewable Energy Holdings Limited ("**The Company**"). The Company is an exempted company incorporated in the Cayman Islands with its registered office at Vistra (Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus

Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. A copy of the Register of Members is exhibited at pages 1 to 20.

5. Pursuant to a facility agreement dated 17 February 2015 made between Tai Feng Investments Limited (the "**Borrower**") as borrower and the Applicant as lender (as amended on 31 March 2017, 11 December 2017 and 26 June 2018, the "**Facility Agreement**"), the Applicant agreed to make available to the Borrower a senior secured term loan facility in an aggregate amount equal to HKD350 million (the "**Loan**"), subject to the terms and conditions set out therein. A copy of the Facility Agreement is exhibited at pages 24 to 129 of Exhibit-1.
6. The Applicant's beneficial entitlement to the Shares in the Company arises pursuant to an equitable share mortgage dated 17 February 2015 made between the mortgagor, the Company and the Applicant in order to secure the Loan (the "**Mortgage**"). A copy of the Mortgage is exhibited at pages 130 to 172.
7. Pursuant to Section 21.1 of the Facility Agreement, an Event of Default occurs if an Obligor (including the Borrower) does not pay on the due date any amount payable pursuant to the Facility Agreement at the place at, and in the currency in, which it is expressed to be payable unless: (a) its failure to pay is caused solely by administrative or technical error; and (b) payment is made within two (2) Business Days of its due date.
8. By letter dated 5 September 2018, the Applicant notified the Borrower that certain fees and interests were due and outstanding in breach of clauses 8, 9 and 11 of the Facility Agreement and that the failure to pay these fees and interests constituted an Event of Default under clause 21.1 of the Facility Agreement. A copy of this letter is exhibited at pages 173 to 175.
9. By letter dated 31 January 2019, Zhong Lun (as legal representatives of the Applicant) notified the Borrower that (i) an instalment of USD11,634,597.32 had been due to be repaid to the Applicant on 16 November 2018 (the "**First Repayment**"); (ii) the Borrower had failed to repay the First Repayment; (iii) this failure to repay the First Repayment constituted an Event of Default under clause 21.1 of the Facility Agreement; and (iv) the loan was thereby accelerated pursuant to clause 21.16 of the Facility Agreement such that all amounts accrued or outstanding under the Facility Agreement were immediately due and payable. A copy of this letter is exhibited at pages 176 to 177.

10. A further letter was sent to the Borrower on 13 November 2019 in which it was noted that, despite partial repayment of the Loan by the Borrower, the Borrower had failed to fully repay the Loan to the Applicant in accordance with the Facility Agreement and that accordingly an Event of Default had occurred and was continuing. A copy of this letter is exhibited at pages 178 to 183.
11. The Loan has not been repaid in full and the sum of USD 24,162,119.74 remains outstanding (the "Debt").
12. Pursuant to clause 10.11 of the Mortgage, the security created by the Mortgage becomes enforceable immediately upon a continuing Event of Default (as defined in the Facility Agreement).
13. An Event of Default has occurred and is continuing and accordingly the security under the Mortgage has become enforceable in accordance with its terms. Pursuant to the powers contained in the Mortgage, on 11 December 2019, the Applicant appointed Lai Kar Yan (Derek) (黎嘉恩) and Ho Kwok Leung Glen (何國樑) of the firm of Deloitte Touche Tohmatsu of 35th Floor, One Pacific Place, 88 Queensway, Hong Kong to be the joint and several receivers of the Collateral (including the Shares) (the "Receivers"). Copies of the relevant Deed of Appointment, Deed of Acceptance and Notice of Appointment are exhibited at pages 184 to 193.
14. By virtue of the foregoing and continuing Event of Default under the Mortgage, the Applicant is and remains beneficially entitled to the Shares.
15. Accordingly, on behalf of the Applicant, I respectfully ask that the Stop Notice annexed hereto be issued in respect of the Shares.

16. The address for service of a notice under Order 50, rule 12 is care of Walkers, 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, Cayman Islands (reference TSH/JGC/H19982).

AFFIRMED at Central, Hong Kong)
on the 25 day of February 2020)
before me)



IP Koon Tung

NOTARY PUBLIC

Man Kwong Kwan
Notary Public, Hong Kong SAR
Rowdget W. Young & Co.

3/F., WINGS BUILDING,
110-116 QUEEN'S ROAD C.
HONG KONG



IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: OF 2020

IN THE MATTER OF EQUITABLE SHARE MORTGAGE DATED 17 FEBRUARY 2015
BETWEEN ASIA PACIFIC RESOURCES DEVELOPMENT INVESTMENT LIMITED AND
CHINA MINSHENG BANKING CORP., HONG KONG BRANCH AND NOBAO RENEWABLE
ENERGY HOLDINGS LIMITED

AND IN THE MATTER OF GCR ORDER 50, RULE 11

THIS IS "EXHIBIT-1" TO THE AFFIRMATION OF IP KOON TUNG

SWORN BEFORE ME THIS *25* DAY OF *February* 2020



NOTARY PUBLIC / SOLICITOR

Man Kwong Kwan
Notary Public, Hong Kong SAR
Rowdget W. Young & Co.

3/F., WINGS BUILDING,
110-116 QUEEN'S ROAD C.
HONG KONG





IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: *1640* OF 2020

IN THE MATTER OF EQUITABLE SHARE MORTGAGE DATED 17 FEBRUARY 2015
BETWEEN ASIA PACIFIC RESOURCES DEVELOPMENT INVESTMENT LIMITED AND
CHINA MINSHENG BANKING CORP., HONG KONG BRANCH AND NOBAO RENEWABLE
ENERGY HOLDINGS LIMITED

AND IN THE MATTER OF GCR ORDER 50, RULE 11

STOP NOTICE



TO: Nobao Renewable Energy Holdings Limited (the "**Company**") care of Vistra
(Cayman) Limited, P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand
Cayman, KY1-1205, Cayman Islands

TAKE NOTICE that the securities which are subject to the Mortgage referred to in the
affirmation to which this notice is annexed, and in respect of which the Applicant holds a
beneficial interest, consisting of 122,041,888 ordinary shares in the Company owned by Asia
Pacific Resources Development Investment Limited as shown in the Register of Members.

This notice is intended to stop any dealings in, including any transfer of, the said securities and
not the payment of any dividend or interest due thereon.

Dated this day of 2020

Name: IP Koon Tung

Position: Chief Risk Officer

For and on behalf of: China Minsheng Banking Corp., Ltd, Hong Kong Branch

NOTE: No transfer of the securities referred to above shall be registered until fourteen days after sending notice thereof to the following person (on whose behalf the stop notice has been filed):

China Minsheng Banking Corp., Ltd, Hong Kong Branch, c/o Walkers, Attorneys at Law, 190 Elgin Street, George Town, Grand Cayman KY1-9001, Cayman Islands (Reference: TSH/JGC/H19982).