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偉俊集團控股有限公司*

Wai Chun Group Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 1013)

**CONNECTED TRANSACTION
PROPOSED ISSUE OF CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE**

PROPOSED ISSUE OF CONVERTIBLE BONDS

On 21 October 2021 (after trading hours), the Company entered into the Subscription Agreement with Ka Chun (a connected person of the Company), pursuant to which Ka Chun conditionally agreed to subscribe for and the Company conditionally agreed to issue the Convertible Bonds in the principal amount of HK\$42,700,000.

The Convertible Bonds carry the Conversion Rights to convert into the Conversion Shares at the Conversion Price of HK\$0.048 per Conversion Share (subject to adjustment) for the Debt Settlement. The subscription amount payable by Ka Chun under the Subscription Agreement shall be satisfied by way of offsetting the outstanding principal amount and accrued interest under the Shareholder's Loan and the Other Loan, payable by the Company to Ka Chun and/or its associates which is expected to amount to HK\$42,700,000 as at Completion Date.

Assuming the Conversion Rights are exercised in full at the Conversion Price, a total of 889,583,333 new Shares, being the Conversion Shares, may be allotted and issued to Ka Chun accordingly subject to certain conversion restrictions. The Conversion Shares represent approximately 41.6% of the total number of issued Shares as at the date of this announcement and approximately 29.4% of the total number of issued Shares as enlarged by the allotment and issue of the Conversion Shares, assuming that there is no other change to the total number of Shares from the date of this announcement to the date when the Conversion Rights are exercised in full. The Conversion Shares will be allotted and issued under the Specific Mandate to be approved by the Independent Shareholders at the SGM.

* for identification purpose only

IMPLICATIONS UNDER THE LISTING RULES

Ka Chun is a controlling Shareholder interested in an aggregate of 1,554,338,600 Shares, representing in aggregate approximately 72.66% of the total number of issued Shares. Ka Chun is indirectly wholly-owned by Mr. Lam Ching Kui, the Chairman and an executive Director of the Company who is interested in 38,481,000 Shares personally, representing in aggregate approximately 1.80% of the total number of issued Shares. Therefore, Ka Chun is a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Ka Chun and its associates are required to abstain from voting on the resolutions in respect of the Subscription at the SGM. To the best of the information, belief and knowledge of the Directors, save for Ka Chun and its associates, no other Shareholder has any material interest in the Subscription and the grant of the Specific Mandate. Save for Mr. Lam Ching Kui, who is the ultimate beneficial owner of Ka Chun and an executive Director, none of the Directors has material interest in the Subscription and is required to abstain from voting on the resolutions passed by the Board to approve the Subscription Agreement and the transactions contemplated thereunder.

GENERAL

The Independent Board Committee has been established to make recommendation to the Independent Shareholders regarding the Subscription Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds. The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement including the terms of the Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The SGM will be convened and held for the Independent Shareholders to consider, and if thought fit, to approve the Subscription and the grant of the Specific Mandate. A circular containing, among other things, (i) further information of the Subscription; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Subscription Agreement and issue of the Convertible Bonds; (iii) the letter of advice from the Independent Financial Adviser; and (iv) details of the Specific Mandate together with notice of the SGM, is expected to be despatched to the Shareholders on or before Thursday, 11 November 2021.

Completion of the Subscription Agreement is subject to the fulfillment and/or waiver (as the case may be) of the conditions precedent set out in the Subscription Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROPOSED ISSUE OF CONVERTIBLE BONDS

On 21 October 2021 (after trading hours), the Company entered into the Subscription Agreement with Ka Chun (a connected person of the Company) pursuant to which Ka Chun conditionally agreed to subscribe for and the Company conditionally agreed to issue the Convertible Bonds, the principal terms of which are set out below.

THE SUBSCRIPTION AGREEMENT

Issuer	:	The Company
Subscriber	:	Ka Chun
Aggregate principal amount	:	HK\$42,700,000
Ranking	:	The Convertible Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Company and shall at all times rank pari passu among themselves and with all existing and future unsubordinated and unsecured obligations of the Company, and shall entitle the holder(s) thereof to receive repayment in priority over the Shareholders
Issue price	:	100% of the principal amount of the Convertible Bonds
Conversion price	:	HK\$0.048 per Conversion Share, subject to adjustments
Form and denomination	:	The Convertible Bonds will be issued in registered form in the denomination of HK\$5,000,000 each
Adjustment events	:	The Conversion Price shall from time to time be subject to adjustment upon occurrence of certain events such as consolidation or subdivision of the Shares, capitalisation of profits or reserves, capital distribution, issue of new Shares for subscription by way of rights, issue of convertible or exchangeable securities, modification of rights of convertible or exchangeable securities.
Interest rate	:	2% per annum accrued on a daily basis of a 365-day year and payable quarterly in arrears.

- Conversion Shares : Based on the principal amount of the Convertible Bonds of HK\$42,700,000, the Convertible Bonds is convertible into a total of 889,583,333 Conversion Shares at the initial conversion price of HK\$0.048 per Conversion Share (subject to adjustments).
- Conversion period : The period commencing from the issue date of the Convertible Bonds up to 4:00 p.m. on the day immediately prior to and exclusive of the maturity date of the Convertible Bonds.
- Conversion rights and restrictions : The holder of the Convertible Bonds shall, subject to compliance with the procedures set out in the terms and conditions thereunder, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Bonds registered in its name into the Conversion Shares provided further that (i) any conversion shall be made in amounts of not less than a whole multiple of HK\$5,000,000 on each conversion save that if at any time the aggregate outstanding principal amount of the Convertible Bonds is less than HK\$5,000,000, the whole (but not part only) of the outstanding principal amount of the Convertible Bonds may be converted; and (ii) the exercise of the conversion right attaching to the Convertible Bonds will not cause the Company to be unable to meet the public float requirement under the Listing Rules.
- Early redemption at the option of the Company : The Company shall be entitled at its sole discretion, by giving not less than fourteen (14) days' notice to the holders of the Convertible Bonds, propose to the holders to redeem the outstanding Convertible Bonds (in multiples of HK\$5,000,000 or such lesser amount as may represent the entire principal amount thereof) an amount equivalent to 100% of the principal amount of such outstanding Convertible Bonds at any time after the date of issue of the Convertible Bonds up to and including the date falling fourteen (14) days immediately before the maturity date of the Convertible Bonds.

Ranking of Conversion Shares	:	The Conversion Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the relevant conversion date including the right to all dividends or other distributions, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the relevant conversion date.
Maturity date	:	The date falling on the third anniversary of the date of issue of the Convertible Bonds.
Voting rights	:	The Subscriber shall not have any right to attend or vote in any general meeting of the Company.
Transferability	:	Subject to compliance with the Listing Rules, the Convertible Bonds may be transferred or assigned in whole or in part in integral multiples of HK\$5,000,000 by the Subscriber to any party.
Listing	:	No application will be made by the Company for the listing of the Convertible Bonds on the Stock Exchange. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.
Security	:	The obligations of the Company under the Convertible Bonds are unsecured.

Conversion Shares

Upon full conversion of the Convertible Bonds at the Conversion Price of HK\$0.048 each (subject to adjustments), a maximum of 889,583,333 Conversion Shares will be allotted and issued which represents:

- (i) approximately 41.6% of the issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 29.4% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares (assuming there is no other change to the total number of Shares from the date of this announcement to the date when the Conversion Rights are exercised in full).

Conversion Price

The Conversion Price of HK\$0.048 (subject to adjustments) per Conversion Share represents:

- (a) a discount of approximately 11.1% to the closing price of HK\$0.054 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (b) a discount of approximately 11.1% to the average closing price of approximately HK\$0.054 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day.

The Conversion Price of HK\$0.048 (subject to adjustments) per Conversion Share was arrived at after arm's length negotiations between the Company and Ka Chun with reference to the recent trading prices of the Shares. The Conversion Price which represents a discount to the closing price of the Shares on the Last Trading Day and the average closing price of the Shares on the last five trading days leading up to the Last Trading Day was because the Company and Ka Chun agreed at a lower interest rate of 2% per annum which would in turn alleviate the future interest burden of the Company.

The Directors (excluding the members of the Independent Board Committee who will form their views after considering the advice of the Independent Financial Adviser) consider that the Conversion Price pursuant to the Subscription Agreement and the reasons for and benefits of the Subscription are fair and reasonable and are in the interests of the Shareholders as a whole.

Conditions precedent

Completion of the Subscription Agreement is conditional upon:

- (i) the passing by the Independent Shareholders of relevant resolutions at the SGM in compliance with the requirements of the Listing Rules approving (a) the Subscription Agreement and the transactions contemplated thereunder; and (b) the issue of the Convertible Bonds and the grant of the Specific Mandate for the allotment and issue of the Conversion Shares to Ka Chun in accordance with the terms of the Subscription Agreement;
- (ii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (iii) all necessary consents and approvals required to be obtained on the part of Ka Chun in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained;

- (iv) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Conversion Shares to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds;
- (v) none of the warranties given by the Company thereunder having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect; and
- (vi) none of the warranties given by Ka Chun thereunder having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect.

The Company shall use its best endeavours to procure the fulfilment of the conditions precedent set out in conditions (i), (ii), (iv) and (v) above as soon as practicable and in any event on or before the Long Stop Date. Ka Chun shall use its best endeavours to procure the fulfilment of the conditions precedent set out in conditions (iii) and (vi) above as soon as practicable and in any event on or before the Long Stop Date. The conditions precedent set out in conditions (i), (ii), (iii) and (iv) above are incapable of being waived. Ka Chun may at any time by notice in writing to the Company waive the condition set out in condition (v) above. The Company may at any time by notice in writing to Ka Chun to waive the condition set out in condition (vi) above.

In the event that any of the conditions precedent referred to above is not fulfilled or waived (to the extent it is capable of being waived) on or before the Long Stop Date, the Subscription Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Subscription Agreement save in respect of any antecedent breach of any obligation thereof.

Completion

The completion of the Subscription Agreement shall take place at or before 4:00 p.m. on the second Business Day (or such other date as agreed by the Company and Ka Chun) after fulfilment of all the conditions precedent set out above, which is expected to be 31 December 2021.

REASONS FOR THE SUBSCRIPTION

The Group is principally engaged in (i) general trading; (ii) sales and integration services by the production of software and provision of solutions and related services; and (iii) the provision of telecommunications infrastructure solution services.

The subscription amount payable by Ka Chun under the Subscription Agreement shall be satisfied by way of offsetting the outstanding principal amount and accrued interest under the Shareholder's Loan and the Other Loan, payable by the Company to Ka Chun and/or its associates which is expected to amount to a total of HK\$42,700,000 as at Completion Date. Mr. Lam Ching Kui had been financing the operations of the Group through the provision of the Shareholder's Loan and the Other Loan to the Group.

The Board considers that the Shareholder's Loan which bears interest at 6.25% per annum together with the Other Loan which is also owed to the controlling Shareholder (including its ultimate beneficial owner, Mr. Lam Ching Kui), represents a heavy financial burden to the Group as the Company has a capital deficit of HK\$117,394,000 as at 30 September 2021. In view of the above, the Board and Mr. Lam Ching Kui have reviewed and explored different approaches to settle the Shareholder's Loan and the Other Loan (together with the accrued interest) and considered the issue of the Convertible Bonds to be the most effective and suitable for reducing the amount of interest expense incurred by the Group per annum, enhancing the financial position of the Group and reducing the gearing ratio of the Group as (i) the Convertible Bonds bear a lower interest rate of 2% per annum and will be able to minimize the short-term financial burden to the Group; (ii) the principal amount of the Shareholder's Loan and the Other Loan (together with the accrued interest) will be fully settled upon the exercise in full of the Conversion Rights without requiring any cash outflow; and (iii) the issue of the Convertible Bonds does not have an immediate dilution effect on the shareholding of the Company.

On 15 October 2021, the Company, the First Bondholder A, the First Bondholder B, the Second Bondholder A and the Second Bondholder B have agreed to amend certain terms of the Existing First Convertible Bonds and the Existing Second Convertible Bonds. The interest rate of the Convertible Bonds is the same as the revised interest rates of the Existing First Convertible Bonds and the Existing Second Convertible Bonds.

In view of the above, the Directors (excluding the members of the Independent Board Committee who will form their views after considering the advice of the Independent Financial Adviser) are of the view that the terms of Subscription Agreement are on normal commercial terms and the issue of the Convertible Bonds are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

THE SPECIFIC MANDATE

The Conversion Shares will be issued pursuant to the Specific Mandate proposed to be sought from the Independent Shareholders at the SGM.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes only, set out below the shareholding structure of the Company as at the date of this announcement, and the effect on the shareholding structure of the Company upon completion of the allotment and issue of the Conversion Shares (assuming full conversion of the Convertible Bonds into the Conversion Shares and that there is no other change in the number of issued Shares from the date of this announcement up to the date when the conversion rights are exercised in full) is as follows:

Name of Shareholders	As at the date of this announcement		Immediately after full exercise of the conversion rights attaching to the Convertible Bonds, the Existing First Convertible Bonds and Existing Second Convertible Bonds (note 3 and note 5)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Ka Chun (note 1)	1,554,338,600	72.66	2,443,921,933	36.56
Lam Ching Kui (note 2)	<u>38,481,000</u>	<u>1.80</u>	<u>38,481,000</u>	<u>0.58</u>
	1,592,819,600	74.46	2,482,402,933	37.14
First Bondholder A (note 5)	40,221,600	1.88	1,686,054,933	25.22
First Bondholder B (note 5)	5,836,200	0.27	1,526,669,533	22.84
Second Bondholder A (note 5)	65,002,600	3.04	310,835,933	4.65
Second Bondholder B (note 5)	65,000,000	3.04	308,333,333	4.61
Other Public Shareholders (note 4)	<u>370,236,248</u>	<u>17.31</u>	<u>370,236,248</u>	<u>5.54</u>
Total	<u>2,139,116,248</u>	<u>100.00</u>	<u>6,684,532,915</u>	<u>100.00</u>

Notes:

- (1) Ka Chun, a company owned as to 100% by Wai Chun Investment Fund, which is wholly-owned by Mr. Lam Ching Kui, an executive Director, Ka Chun Holdings Limited holds 1,554,338,600 Shares.
- (2) Mr. Lam Ching Kui, the Chairman and executive director of the Company, directly holds 38,481,000 Shares.
- (3) Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

- (4) Pursuant to the terms and conditions of the Convertible Bonds, Ka Chun shall not exercise the conversion rights attaching to the Convertible Bonds if, as a result of such exercise, it will cause the public float of the Company to fall below the percentage prescribed under the Listing Rules.
- (5) On 15 October 2021, the Company announced the proposed alteration to the terms of Existing First Convertible Bonds and Existing Second Convertible bonds, in which the Company and the existing Bondholders (including First Bondholder A, First Bondholder B, Second Bondholder A and Second Bondholder B) agreed, among others, to reduce the conversion price from HK\$0.18 to HK\$0.048 per Conversion Share. Pursuant to Rule 28.05 of the Listing Rules, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alteration takes effect automatically under the existing terms of such convertible debt securities. Accordingly, the Company is applying to the Stock Exchange for approval of the alteration of terms of the Existing First Convertible Bonds and the alteration of terms of the Existing Second Convertible Bonds.

EQUITY FUND RAISING EXERCISES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company issued the Existing Second Convertible Bonds with principal amount of HK\$23,480,000 under general mandate as disclosed in the announcement of the Company dated on 27 November 2020.

Save as disclosed above, the Company has not conducted any equity fund raising activity in the past twelve-month period immediately preceding the date of this announcement.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Ka Chun (a company which is wholly and ultimately owned by Mr. Lam Ching Kui) is a controlling Shareholder of the Company and is beneficially interested in 1,554,338,600 Shares, representing approximately 72.66% of the total number of issued Shares. Ka Chun is indirectly wholly-owned by Mr. Lam Ching Kui, the Chairman and an executive Director of the Company who is interested in 38,481,000 Shares personally, representing approximately 1.80% of the total number of issued Shares. Accordingly, Ka Chun is a connected person of the Company and the Subscription constitutes a connected transaction under the Listing Rules and will be subject to reporting and announcement requirements, as well as the approval of the Independent Shareholders at the SGM by way of poll. Mr. Lam Ching Kui, Ka Chun and their respective associates will abstain from voting for the relevant resolutions approving the Subscription Agreement at the SGM.

An application will be made to the Stock Exchange for its approval for the listing of, and permission to deal in the Conversion Shares pursuant to the terms and conditions of the Convertible Bonds.

GENERAL

Mr. Lam Ching Kui, who is the Chairman and an executive Director of the Company, has abstained from voting in the Board meeting for approving the transactions contemplated under the Subscription Agreement. Save as mentioned above, none of the Directors has any material interest in the transactions contemplated under the Subscription Agreement who is required to abstain from voting in the Board meeting in respect of the Subscription Agreement and the transactions contemplated thereunder.

The Independent Board Committee has been established, comprising all the independent non-executive Directors, to advise the Independent Shareholders in relation to the Subscription Agreement and the transactions contemplated respectively thereunder, including but not limited to the issue of the Convertible Bonds, the allotment and issue of the Conversion Shares, and the grant of the Specific Mandate. An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further information on the Subscription Agreement and the transactions contemplated thereunder; (ii) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (iii) the recommendation of the Independent Board Committee to the Independent Shareholders; and (iv) the notice of the SGM will be despatched to the Shareholders on or about Thursday, 11 November 2021. The SGM will be convened and held for the Independent Shareholders to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated respectively thereunder, including but not limited to the issue of the Convertible Bonds, the allotment and issue of the Conversion Shares, and the grant of the Specific Mandate. The Conversion Shares will be issued under the Specific Mandate to be sought at the SGM.

Completion of the subscription of the Convertible Bonds is subject to the satisfaction of the conditions precedent set out in the Subscription Agreement. Accordingly, the issue of the Convertible Bonds may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors

“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	Wai Chun Group Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“Completion Date”	the date of closing, being the day falling on the second Business Day (or such other day as agreed by the Company and the Subscriber) after fulfillment of all the conditions precedent set out in the Subscription Agreement which is expected to be 31 December 2021
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Conversion Price”	HK\$0.048 per Conversion Share, subject to adjustments and the terms and conditions of the Convertible Bonds
“Conversion Share(s)”	new Shares to be issued by the Company upon the exercise of the conversion rights attaching to the Convertible Bonds by Ka Chun
“Convertible Bonds”	convertible bonds in an aggregate principal amount of HK\$42,700,000 to be issued by the Company, and subscribed by Ka Chun, pursuant to the Subscription Agreement for the Debt Settlement
“Debt Settlement”	the settlement of the Shareholder’s Loan and the Other Loan
“Director(s)”	the director(s) of the Company from time to time
“Existing First Convertible Bonds”	the 4% coupon convertible bonds due 2023 issued by the Company in August 2020 in the aggregate amount of HK\$152,000,000 being held by the First Bondholder A and First Bondholder B

“Existing Second Convertible Bonds”	the 4% coupon convertible bonds due 2023 issued by the Company in November 2020 in the aggregate amount of HK\$23,480,000 being held by the Second Bondholder A and Second Bondholder B
“First Bondholder A”	Ms. Wan Yuzhen
“First Bondholder B”	Ms. Zhong Lirong
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee comprising the independent non-executive Directors to advise the Independent Shareholders as to the fairness and reasonableness of the Subscription Agreement and the transactions contemplated respectively thereunder
“Independent Shareholder(s)”	the Shareholders not required under the Listing Rules to abstain from voting on the resolution(s) approving the Subscription Agreement and the transactions contemplated respectively thereunder at the SGM
“Ka Chun”	Ka Chun Holdings Limited, a company incorporated in the British Virgin Islands, which is the legal and beneficial owner of 1,554,338,600 Shares as at the date of this announcement, and is wholly-owned by Mr. Lam Ching Kui through Wai Chun Investment Fund, which is also wholly-owned by him
“Last Trading Day”	21 October 2021, being the last trading day of the Shares on the Stock Exchange prior to the date of this announcement
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2021 or such other date as may be agreed by the Company and the Subscriber

“Other Loan”	liabilities due by the Company to its controlling Shareholder (including its ultimate beneficial owner, Mr. Lam Ching Kui) for their assumption or payment of debts, liabilities, office rents and other expenses on behalf of the Group, which is expected to amount to HK\$25,300,000 as at Completion Date
“PRC”	People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
“Second Bondholder A”	Ms. Wan Qianyi
“Second Bondholder B”	Ms. Mai Xiuqun
“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to approve the Subscription Agreement and the transactions contemplated respectively thereunder
“Share(s)”	existing ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Shareholder’s Loan”	shareholder’s loan due by the Company to Wai Chun Investment Fund, being the holding company of Ka Chun, which is expected to amount to HK\$17,400,000 as at Completion Date at an interest rate of 6.25% per annum
“Specific Mandate”	the specific mandate to the Board to allot, issue and deal with the Conversion Shares to be proposed for approval as an ordinary resolution of the Independent Shareholders at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Convertible Bonds by Ka Chun pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 21 October 2021 entered into between the Company and Ka Chun in relation to the Subscription

“HK\$” Hong Kong dollar(s), the currency of Hong Kong

“%” per cent

By order of the Board
Wai Chun Group Holdings Limited
LAM Ching Kui
Chairman and Chief Executive Officer

Hong Kong, 21 October 2021

As at the date of this announcement, the Board consists of one executive Director, namely Mr. Lam Ching Kui (Chairman and Chief Executive Officer) and two independent non-executive Directors, namely Mr. Chan Wai Dune and Dr. Wang Wei.