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珠光控股
ZHUGUANG HOLDINGS

ZHUGUANG HOLDINGS GROUP COMPANY LIMITED

珠光控股集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1176)

**DISCLOSURE UNDER RULES 13.17
AND 13.18 OF THE LISTING RULES**

MARGIN LOAN

The Board announces that after trading hours on 29 October 2021, the Company's subsidiary, Splendid Reach Limited, as borrower, and CCB International Securities Limited (建銀國際證券有限公司), as lender, have entered into a deed to amend and supplement certain terms of the Margin Loan Confirmation (as amended and supplemented from time to time). A summary of the revised principal terms of the Margin Loan Confirmation (as amended and supplemented from time to time) is set out below.

LISTING RULES IMPLICATIONS

The Rong De Account Charge requires disclosure under Rule 13.17 of the Listing Rules. Please refer to the paragraph headed "Disclosure under Rule 13.17 of the Listing Rules" in this announcement for further details.

The Margin Loan Confirmation (as amended and supplemented from time to time) contains certain specific performance obligations on Rong De, a controlling shareholder of the Company, which require disclosure under Rule 13.18 of the Listing Rules. Please refer to the paragraph headed "Disclosure under Rule 13.18 of the Listing Rules" in this announcement for further details.

* For identification purpose only

Reference is made to (i) the announcement of Zhuguang Holdings Group Company Limited (“**Company**”) dated 25 October 2018 in relation to a margin loan confirmation dated 25 October 2018 entered into between the Company’s subsidiary, Splendid Reach Limited, as borrower, and CCB International Securities Limited (建銀國際證券有限公司), as lender, under which the Lender has agreed to make available to the Borrower a margin loan facility in the principal amount of up to HK\$750,000,000; (ii) the announcement of the Company dated 1 November 2019 in relation to an amendment and restatement deed dated 1 November 2019 entered into between the Lender and the Borrower to amend and supplement certain terms under the Margin Loan Confirmation (as amended and supplemented from time to time); and (iii) the announcement of the Company dated 30 October 2020 in relation to a further amendment and restatement deed dated 30 October 2020 entered into between the Lender and the Borrower to amend and supplement certain terms under the Margin Loan Confirmation (as amended and supplemented from time to time) (collectively, “**Announcements**”). Capitalised terms used in this announcement have the same meanings as defined in the Announcements, unless defined herein or the context requires otherwise.

The Board announces that after trading hours on 29 October 2021, the Borrower and the Lender have entered into a deed (“**2021 Amendment Deed**”) to amend and supplement certain terms, including the term, the principal amount and the interest rate of the Margin Loan, under the Margin Loan Confirmation (as amended and supplemented from time to time) with effect from 30 October 2021.

The revised principal terms of the Margin Loan Confirmation (as amended and supplemented from time to time) are set out below:

Term of Margin Loan: A term (“**Term**”) commencing from (and including) the first drawdown date (“**First Drawdown Date**”) of the Margin Loan (being 31 October 2018) and maturing on 30 October 2022 (provided that if such date does not fall on a Business Day, then the next Business Day) (“**Maturity Date**”).

Principal Amount of the Margin Loan: The principal amount of the Margin Loan shall be up to HK\$750,000,000 (for the first five Business Days of the Term) and HK\$550,000,000 (from and including the sixth Business Day of the Term to 29 April 2019) and HK\$510,000,000 (from and including 30 April 2019 to 30 May 2019) and HK\$490,000,000 (from and including 31 May 2019 to 30 July 2019) and HK\$450,000,000 (from and including 31 July 2019 to 30 October 2019) and HK\$430,000,000 (from and including 31 October 2019 to 30 January 2020) and HK\$400,000,000 (from and including 31 January 2020 to 29 April 2020) and HK\$360,000,000 (from and including 30 April 2020 to 29 October 2020) and HK\$330,000,000 (from and including 30 October 2020 to 29 April 2021) and HK\$290,000,000 (from and including 30 April 2021 to 29 January 2022) and

HK\$270,000,000 (from and including 30 January 2022 to 29 April 2022) and HK\$250,000,000 (from and including 30 April 2022 to the Maturity Date).

Conditions Precedent and
Conditions Subsequent:

The main conditions precedent and conditions subsequent are as follows:

Prior to the First Drawdown Date:

- (i) the Borrower shall deposit the Initial Silver Grant Shares into the Splendid Margin Account;
- (ii) the Borrower shall procure the deposit by Rong De of the Charged Zhuguang Shares (1st Batch) into the Rong De Margin Account;
- (iii) the Borrower shall deliver the Splendid Account Charge;
- (iv) the Borrower shall procure the delivery by Rong De of the Rong De Account Charge;
- (v) the Borrower shall procure the delivery by the Guarantors of the Continuing Guarantee;
- (vi) the Borrower shall procure the delivery by the Guarantors and the execution of the confirmations of the warning notice to the Continuing Guarantee; and
- (vii) Adjusted Debt to Asset Ratio (as defined in the Margin Loan Confirmation (as amended and supplemented from time to time)) of the Company shall be less than 75%.

On or before the fifth Business Day of the Term:

- (viii) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$550,000,000.

On or before the 60th day of the Term:

- (ix) the Borrower shall procure the further deposit by Rong De of the Charged Zhuguang Shares (2nd Batch) into the Rong De Margin Account.

On or before 29 April 2019:

- (x) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$510,000,000.

On or before 30 May 2019:

- (xi) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$490,000,000.

On or before 30 July 2019:

- (xii) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$450,000,000.

On or before 30 October 2019:

- (xiii) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$430,000,000;
- (xiv) the Borrower shall pay to the Lender the arrangement fee stipulated under the Margin Loan Confirmation (as amended and supplemented from time to time); and
- (xv) the Borrower shall maintain no less than 681,240,022 Silver Grant Shares in the Splendid Margin Account.

On or before 31 January 2020:

- (xvi) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$400,000,000.

On or before 30 April 2020:

- (xvii) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$360,000,000.

On or before 30 October 2020:

(xviii) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$330,000,000.

On or before the date of the 2020 Amendment Deed:

(xix) the Borrower shall pay to the Lender the arrangement fee stipulated under the Margin Loan Confirmation (as amended and supplemented from time to time); and

(xx) the Adjusted Debt to Asset Ratio (as defined in the Margin Loan Confirmation (as amended and supplemented from time to time)) of the Company shall be less than 82.5%.

On or before 30 April 2021:

(xxi) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$290,000,000.

On or before the date of the 2021 Amendment Deed:

(xxii) the Borrower shall pay to the Lender the arrangement fee stipulated under the Margin Loan Confirmation (as amended and supplemented from time to time); and

(xxiii) the Adjusted Debt to Asset Ratio (as defined in the Margin Loan Confirmation (as amended and supplemented from time to time)) of the Company shall be less than 82.5%.

On or before 30 January 2022:

(xxiv) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$270,000,000.

On or before 30 April 2022:

(xxv) the Borrower shall repay part of the Margin Loan so that the outstanding principal amount of the Margin Loan is not more than HK\$250,000,000.

Interest of the Margin Loan: Subject to the “Default Interest” provision in the Margin Loan Confirmation (as amended and supplemented from time to time),

- (i) interest of the Margin Loan shall accrue from and including the First Drawdown Date to 31 March 2019 at a simple interest rate of 7.75% per annum on the relevant outstanding principal amount of the Margin Loan;
- (ii) interest of the Margin Loan shall accrue from and including 1 April 2019 to 30 October 2019 at a simple interest rate of 9% per annum on the relevant outstanding principal amount of the Margin Loan;
- (iii) interest of the Margin Loan shall accrue from and including 31 October 2019 up to and including 30 October 2020 at a simple interest rate of 10% per annum on the relevant outstanding principal amount of the Margin Loan;
- (iv) interest of the Margin Loan shall accrue from and including 31 October 2020 up to and including 30 October 2021 at a simple interest rate of 3-month HIBOR* + 9% per annum on the relevant outstanding principal amount of the Margin Loan; and

* the 3-month HIBOR refers to the 3-month Hong Kong Dollar Interest Settlement Rates published by the Hong Kong Association of Banks at or about 11:00 a.m., Hong Kong time on 31 October 2020 and the date falling on the last calendar day of each subsequent three calendar month period during the period up to and including 30 October 2021 (i.e. 31 January 2021, 30 April 2021 and 31 July 2021). If any such date does not fall on a Business Day, then the rate will be so determined on the next Business Day.

- (v) interest of the Margin Loan shall accrue from and including 31 October 2021 up to and including the date of full principal repayment at a simple interest rate of 3-month HIBOR** + 8.5% per annum on the relevant outstanding principal amount of the Margin Loan.

** the 3-month HIBOR refers to the 3-month Hong Kong Dollar Interest Settlement Rates published by the Hong Kong Association of Banks at or about 11:00 a.m., Hong Kong time on 31 October 2021 and the date falling on the last calendar day of each subsequent three calendar month period (i.e. 31 January 2022, 30 April 2022 and 31 July 2022). If any such date does not fall on a Business Day, then the rate will be so determined on the next Business Day.

Such interest shall accrue on a day-to-day basis and shall be payable in arrears by the Borrower on each Interest Payment Date (as defined in the Margin Loan Confirmation (as amended and supplemented from time to time)).

Applicable Margin Percentage: The applicable margin percentage for the Margin Loan:

- (i) for the Silver Grant Shares: 50% for the first six months of the Term, 35% from and including the seventh month of the Term to 29 October 2020, 30% from and including 30 October 2020 and up to 29 October 2021 and 20% from and including 30 October 2021 and thereafter; or as notified in writing by the Lender to the Borrower from time to time;
- (ii) for the Shares: 50% for the first six months of the Term, 35% from and including the seventh month of the Term to 29 October 2020 and 30% from and including 30 October 2020 and thereafter; or as notified in writing by the Lender to the Borrower from time to time;
- (iii) for the HK Listco Shares (excluding the Silver Grant Shares and the Shares): as notified in writing by the Lender to the Borrower from time to time, which for the avoidance of doubt, may be 0%; and
- (iv) for the Listed Bonds and Notes: as notified in writing by the Lender to the Borrower from time to time, which for the avoidance of doubt, may be 0%.

Security Documents

In consideration of the Lender granting to the Borrower the Margin Loan, the Security Documents were also entered into on 25 October 2018 and they will continue to be in full force and effect.

Disclosure under Rule 13.17 of the Listing Rules

Under the Rong De Account Charge, Rong De has charged, by way of fixed and floating charge, the Charged Assets (as defined in the Rong De Account Charge), which includes the Charged Zhuguang Shares (1st Batch) and the Charged Zhuguang Shares (2nd Batch), in favour of the Lender. The charge of the Charged Zhuguang Shares (1st Batch) and the Charged Zhuguang Shares (2nd Batch) requires disclosure under Rule 13.17 of the Listing Rules.

Disclosure under Rule 13.18 of the Listing Rules

Under the Margin Loan Confirmation (as amended and supplemented from time to time), the Borrower shall procure Rong De to:

- (i) deposit the Charged Zhuguang Shares (1st Batch) into the Rong De Margin Account prior to the First Drawdown Date;
- (ii) deliver the Rong De Account Charge prior to the First Drawdown Date;
- (iii) deposit the Charged Zhuguang Shares (2nd Batch) into the Rong De Margin Account on or before the 60th day of the Term;
- (iv) maintain its deposit of the Charged Zhuguang Shares (1st Batch) and Charged Zhuguang Shares (2nd Batch) in the Rong De Margin Account, and shall procure that Rong De not to charge, mortgage, pledge, or otherwise permit any encumbrance to be created over the Charged Zhuguang Shares (1st Batch) and Charged Zhuguang Shares (2nd Batch) (other than the encumbrance created pursuant to the Rong De Account Charge or otherwise agreed by the Lender);
- (v) not apply for registration as a non-Hong Kong company pursuant to Part 16 of the Companies Ordinance without having obtained the prior written consent of the Lender;
- (vi) in the event that Rong De has obtained the prior written consent to apply for registration as a non-Hong Kong Company as stipulated in the sub-paragraph above, Rong De shall procure that the prescribed particular of the Rong De Margin Account together with the Rong De Account Charge be delivered to the Companies Registry of Hong Kong for the registration of the Rong De Account Charge and promptly deliver the certificate of such registration of the Rong De Account Charge to the Lender;

- (vii) promptly after execution of the Rong De Account Charge, instruct its registered agent to enter particulars as required by the BVI Act, as amended, of the security created pursuant to the Rong De Account Charge in the Rong De's Register of Charges ("**Rong De Register of Charges**");
- (viii) enter particulars as required by the BVI Act of the security created pursuant to the Rong De Account Charge in the Rong De Register of Charges and, immediately after entry of such particulars have been made, provide the Lender with a certified true copy of the updated Rong De Register of Charges;
- (ix) effect registration, or assist the Lender in effecting registration, of the Rong De Account Charge with the Registrar of Corporate Affairs pursuant to the BVI Act; and
- (x) immediately on receipt, deliver or procure to be delivered to the Lender, the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements of Part VIII of the BVI Act as to registration have been complied with and the filed stamped copy of the application containing the relevant particulars of charge.

All the above specific performance obligations of Rong De under the Margin Loan Confirmation (as amended and supplemented from time to time) require disclosure under Rule 13.18 of the Listing Rules.

On behalf of the Board
Zhuguang Holdings Group Company Limited
Chu Hing Tsung
Chairman

Hong Kong, 29 October 2021

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Mr. Chu Hing Tsung (alias Mr. Zhu Qing Yi) (Chairman), Mr. Liu Jie (Chief Executive Officer), Mr. Liao Tengjia (Deputy Chairman), Mr. Huang Jiajue (Deputy Chairman), Mr. Chu Muk Chi (alias Mr. Zhu La Yi) and Ms. Ye Lixia; and (ii) three independent non-executive Directors, namely Mr. Leung Wo Ping JP, Mr. Wong Chi Keung and Dr. Feng Ke.