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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)

**ISSUE OF SENIOR NOTES
AND
DISCLOSURE UNDER RULES 13.17 AND 13.18**

ISSUE OF SENIOR NOTES

The Company wishes to announce that on 22 September 2022, the Company, Rong De, the Existing Ultimate Shareholders and the Investors entered into the Note Purchase Agreement, pursuant to which the Company has conditionally agreed to issue to the Investors, and the Investors have conditionally agreed to, severally and not jointly, subscribe for, the Senior Notes of an aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000). The Senior Notes rank at least *pari passu* with all other present and future direct, unconditional, unsecured, unsubordinated and general obligations issued, created or assumed by the Company. The Senior Notes of an aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000) were issued on 22 September 2022.

A summary of the principal terms and conditions of the Senior Notes are set out in this announcement below.

* For identification purpose only

LISTING RULES IMPLICATIONS

Pursuant to the Note Purchase Agreement, Rong De (a controlling Shareholder and thus a connected person of the Company) is required to provide collateral security and corporate guarantee for, and the Existing Ultimate Shareholders (each being a connected person of the Company) are required to provide personal guarantees for, the issue of the Senior Notes and the continuing term of the Senior Notes. The provision of such collateral security and/or such guarantees is regarded as a provision of financial assistance to the Company by such connected persons of the Company and constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. Given that no security over the assets of the Group is granted to Rong De and/or the Existing Ultimate Shareholders in respect of the grant of the financial assistance by them to secure the Company's obligations under the Transaction Documents and such grant of financial assistance is for the benefit of the Company on normal commercial terms (or better to the Company), such grant of financial assistance is fully exempted from the reporting, announcement and independent shareholders' approval requirements of Chapter 14A of the Listing Rules under Rule 14A.90 of the Listing Rules.

Pursuant to the Note Purchase Agreement, Rong De is required to enter into the Listco Share Charge, whereby Rong De's interests in, among other things, certain number of Shares in the Listco Shares Account are charged, by way of a first fixed charge, in favour of the Security Agent (as trustee for the benefit of itself and on behalf of the Investors). Such charge over the Shares is required to be disclosed pursuant to Rule 13.17 of the Listing Rules. Please refer to the paragraph headed "The Note Purchase Agreement — The Senior Notes — Security and guarantee" and the paragraph headed "Other undertakings and provisions" in this announcement for further details.

The conditions of the Senior Notes also included certain conditions imposing specific performance obligations on Rong De and the Existing Ultimate Shareholders (including but not limited to, a requirement to maintain a specified minimum holding in the share capital of the Company by each of Rong De and the Existing Ultimate Shareholders) and breach of such obligations would cause a default in respect of the Senior Notes, and such specific performance obligations of Rong De and the Existing Ultimate Shareholders is required to be disclosed pursuant to Rule 13.18 of the Listing Rules. Please refer to the paragraph headed "The Note Purchase Agreement — The Senior Notes — Specific performance obligations of Rong De and the Existing Ultimate Shareholders" and the paragraph headed "Other undertakings and provisions" in this announcement for further details.

On 22 September 2022, the Company, Rong De, the Existing Ultimate Shareholders and the Investors entered into the Note Purchase Agreement, pursuant to which the Company has conditionally agreed to issue to the Investors, and the Investors have conditionally agreed to, severally and not jointly, subscribe for, the Senior Notes of an aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000). The Senior Notes of an aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000) were issued on 22 September 2022.

Details of the Senior Notes are set out below.

THE NOTE PURCHASE AGREEMENT

Set out below are the major terms of the Note Purchase Agreement:

Date

22 September 2022

Parties

- | | |
|---------------------------------------|---|
| (i) Issuer: | The Company |
| (ii) Controlling Shareholder: | Rong De, which is principally engaged in investment holding |
| (iii) Existing Ultimate Shareholders: | <ol style="list-style-type: none">(1) Mr. Liao Tengjia, who is the deputy chairman of the Board and an executive Director, and the beneficial owner of 36.00% equity interest in Rong De as at the date of the Note Purchase Agreement;(2) Mr. Chu Hing Tsung, who is the chairman of the Board and an executive Director, and the beneficial owner of 34.06% equity interest in Rong De as at the date of the Note Purchase Agreement; and(3) Mr. Chu Muk Chi, who is an executive Director and the beneficial owner of 29.94% equity interest in Rong De as at the date of the Note Purchase Agreement. |
| (iv) Investors: | <ol style="list-style-type: none">(1) Blooming Rose;(2) Heroic Day;(3) China Cinda; and(4) Quan Xing; |

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Investors is principally engaged in investment holding and each of the Investors and its ultimate beneficial owner(s) is an Independent Third Party.

Subject matter

Pursuant to the Note Purchase Agreement, the Company shall issue to the Investors the Senior Notes in the aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000). The Investors' obligations to purchase the Senior Notes are several.

The Senior Notes

The principal terms of the Senior Notes were arrived at after arm's length negotiations between the Investors and the Company and are summarised as follows:

Principal amount of Senior Notes subscribed by the Investors: US\$210,000,000 (equivalent to approximately HK\$1,638,000,000). Subject to the conditions as set out in the paragraph headed "The Note Purchase Agreement — The Senior Notes — Conditions precedent" below, the Company shall issue to each Investor, and each Investor shall, severally and not jointly, subscribe for, the Senior Notes in the principal amount as set out opposite such Investor's name below on the Closing Date.

Name of Investor	Principal amount of Senior Notes subscribed
Blooming Rose	US\$99,978,051.79
Heroic Day	US\$40,000,000.00
China Cinda	US\$62,658,893.34
Quan Xing	US\$7,363,054.87

Maturity Date: The date falling thirty-six (36) months from the Issue Date, being 21 September 2025.

Interest rate: Interest shall accrue on the Senior Notes from (and including) the Issue Date until (and including) the date on which the Senior Notes are redeemed in accordance with the terms and conditions of the Senior Notes at the rate of 12% per annum on the outstanding principal amount of the Senior Notes.

If an event of default occurs, the interest rate for the period from (and including) the date of occurrence of such event of default until (and including) the date on which such event of default ceases to continue, shall be adjusted to a rate of 25% per annum.

The Company shall pay interest in cash on the last day of (i) the three-month period commencing on (and including) the Issue Date, and (ii) each successive three-month period, with the last period ending on (and including) the Maturity Date.

Ranking:

The Senior Notes constitute direct, unconditional, secured, guaranteed, unsubordinated and general obligations of the Company and rank equally and without any preference amongst themselves, and the payment obligations of the Company under the Senior Notes will (subject to any obligations preferred by mandatory provisions of Law) rank at least *pari passu* with all other present and future direct, unconditional, unsecured, unsubordinated and general obligations issued, created or assumed by the Company.

Security and guarantee:

As security for the Senior Notes, the following security and guarantee have been created in favour of the Security Agent (for itself and on behalf of the Investors) on the Closing Date:

- (i) the Listco Share Charge executed by Rong De over, among other things, 3,000,000,000 Shares held by Rong De and the Listco Shares Account;
- (ii) the Subsidiary Share Charges executed by each of the Subsidiary Chargors in respect of the entire issued share capital of each of (a) Ai De; (b) All Flourish; (c) Capital Fame; (d) Cheng Chang; (e) China Honest; (f) Diamond Crown; (g) East Orient; (h) Ever Crown; (i) Fully Wise; (j) Gains Wide; (k) Gold Charter; (l) Graceful Link; (m) Pacific Win; (n) Polyhero International; (o) Profait International; (p) Sharp Wisdom; (q) South Trend; (r) Speedy Full; (s) Talent Wide; (t) Top Asset; (u) Top Perfect; (v) World Sharp; and (w) Zhuguang Group, held by the relevant Subsidiary Chargor;
- (iii) the Personal Guarantees executed by each of the Existing Ultimate Shareholders (namely, Mr. Liao Tengjia, Mr. Chu Hing Tsung and Mr. Chu Muk Chi); and
- (iv) the Corporate Guarantees executed by each of the Corporate Guarantors.

Transfer: The Senior Notes are freely transferable (in whole or in part) by a Noteholder to any Person subject to compliance with all applicable Laws and any transfer of the Senior Notes may be in respect of the whole or any part (in the Authorised Denomination) of the outstanding principal amount of the Senior Notes. No consent of the Company is required for any transfer of the Senior Notes to any Person, provided that no transfer shall be made to a connected person of the Company.

Events of default: Each Noteholder shall be entitled to deliver a redemption notice (“**EOD Redemption Notice**”) to the Company to demand that the Senior Notes registered in its name to be redeemed by the Company at the EOD Redemption Amount, which shall become immediately due and payable on the date of such EOD Redemption Notice:

- (i) any Obligor does not pay (a) all or any part of the principal, interest or any other amount due and payable in respect of the Senior Notes on its due date in the manner specified in the terms and conditions of the Senior Notes; and/or (b) all or any part of any other amount due and payable under any Transaction Document on its due date and in the manner specified in such Transaction Document;
- (ii) the Ultimate Shareholders cease to (a) control the Company; or (b) beneficially own in aggregate at least 51% of the entire issued share capital of the Company on a fully-diluted basis;
- (iii) the Ultimate Shareholders cease to (a) control Rong De; or (b) legally and beneficially own in aggregate at least 76.03% of the entire issued share capital of Rong De on a fully-diluted basis;
- (iv) Rong De ceases to beneficially own not less than 3,670,000,000 Shares (and if there is a sub-division, consolidation or reclassification of those Shares, such number of Shares resulting from it);
- (v) Rong De ceases to (a) control the Company; or (b) beneficially own at least 51% of the entire issued share capital of the Company on a fully-diluted basis;
- (vi) the Net Asset Value is less than HK\$4,500,000,000;

- (vii) the ratio of the Consolidated Adjusted Total Debt to the Consolidated Adjusted Total Assets in respect of each Accounting Period exceeds 82.5%;
- (viii) any representation, warranty or statement made by any Obligor under any Transaction Document is incorrect, misleading or false when made or repeated or deemed to be made or repeated;
- (ix) the trading in the Shares on the Main Board of the Stock Exchange is suspended or halted for a period of seven (7) consecutive Trading Days or more for any reason;
- (x) the Company submits an application to the Stock Exchange to delist from or cancel its listing of the Shares on the Main Board of the Stock Exchange;
- (xi) any resolution(s) has been passed or approved for the Company to be delisted from the Main Board of the Stock Exchange; and
- (xii) the Company ceases to be listed on the Main Board of the Stock Exchange.

EOD Redemption Amount:

Upon redemption of the Senior Notes due to the occurrence of any event of default, the redemption amount payable by the Company to each Noteholder who has delivered an EOD Redemption Notice, being an amount equal to the aggregate of:

- (i) 100% of the principal amount of the Senior Notes held by such Noteholder then outstanding as at the date of such redemption;
- (ii) all interest accrued and outstanding;
- (iii) an amount equal to an IRR of 25% per annum on the principal amount of the Senior Notes as set out in paragraph (i) above, calculated from the Issue Date to the date of such redemption, taking into account all interest paid on the Senior Notes prior to or on the date of such redemption; and
- (iv) any other payment accrued and outstanding to such Noteholder.

Voluntary redemption:

- (a) Unless previously redeemed or cancelled, the Company may, at any time during the period from the date falling twelve (12) months from the Issue Date until immediately prior to the Maturity Date, give not less than three (3) months' notice to all the Noteholders (by delivering a redemption notice ("**Voluntary Redemption Notice**") to all Noteholders) to redeem, in whole or in part, in the Authorised Denomination, the Senior Notes then outstanding as at the date specified in the Voluntary Redemption Notice at the total redemption price equal to the aggregate of (i) 100% of the principal amount of the Senior Notes held by a particular Noteholder to be redeemed by the Company; and (ii) all interest accrued and outstanding up to (and including) the date of redemption set out in the Voluntary Redemption Notice in respect of the Senior Notes to be redeemed. The Voluntary Redemption Notice, once delivered to a Noteholder, shall be irrevocable unless such Noteholder consents to the withdrawal of such Voluntary Redemption Notice.
- (b) The Company shall redeem the Senior Notes held by the Noteholders on a pro-rata basis.

Mandatory redemption:

- (a) First mandatory redemption:

The Company shall, on the date falling twelve (12) months from the Issue Date ("**First Mandatory Redemption Date**"), redeem such part of the Senior Notes held by a Noteholder representing 10% of the aggregate principal amount of the Senior Notes as at the Issue Date ("**First Mandatory Principal Amount**") at the total redemption price equal to the aggregate of (1) 100% of the First Mandatory Principal Amount; and (2) all interest accrued and outstanding up to (and including) the First Mandatory Redemption Date in respect of the First Mandatory Principal Amount.

- (b) Second mandatory redemption:
- (i) Subject to the following condition (ii), the Company shall, on the date falling 24 months from the Issue Date (“**Second Mandatory Redemption Date**”), redeem such part of the Senior Notes held by a Noteholder representing 20% of the aggregate principal amount of that Senior Notes as at the Issue Date or such other outstanding principal amount as provided in the following condition (ii) (“**Second Mandatory Principal Amount**”) at the total redemption price equal to the aggregate of (1) 100% of the Second Mandatory Principal Amount; and (2) all interest accrued and outstanding up to (and including) the Second Mandatory Redemption Date in respect of the Second Mandatory Principal Amount.
 - (ii) For the purpose of a mandatory redemption under the foregoing condition (i), in the event that the aggregate principal amount of the Senior Notes is less than US\$42,000,000 on the Second Mandatory Redemption Date, the Second Mandatory Principal Amount shall be the aggregate principal amount of the Senior Notes then outstanding as of the Second Mandatory Redemption Date.

Conditions precedent:

The obligation of each Investor to subscribe for the Senior Notes is subject to the fulfilment (or waiver) of various conditions precedent on or before the Closing Date, which include, amongst other conditions:

- (i) the 2019 Indebtedness (including the 2019 Note Indebtedness but excluding the 2019 Warrant Indebtedness) shall have been repaid or settled in full, there shall be no outstanding amount payable by any 2019 Obligor to the 2019 Noteholders under the 2019 Notes, and the 2019 Notes shall have been cancelled by the Company in full;

- (ii) all existing and future liabilities and obligations of the 2019 Obligors under the 2019 Transaction Documents shall have been terminated, released and discharged in full and all 2019 Transaction Documents shall have ceased to be effective or shall have otherwise been terminated (except for the 2019 Warrant Instrument and the 2019 Warrant Certificates, which shall cease to be effective upon the Termination Date (as defined in the 2019 Warrant Instrument));
- (iii) Rong De shall ensure that the Listco Shares Account shall have a final balance of at least 3,000,000,000 Shares as of the Closing;
- (iv) the current listing of the Shares on the Main Board of the Stock Exchange shall not have been cancelled or withdrawn, the Shares shall continue to be traded on the Main Board of the Stock Exchange at all times from the date of the Note Purchase Agreement until the Closing Date and neither the Stock Exchange nor the SFC shall have indicated that it will or may qualify, object to, suspend, cancel or withdraw such listing and/or dealings in the Shares and, without prejudice to the generality of the foregoing, no circumstances shall exist based on which the SFC could exercise its powers under Section 8 of the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong);
- (v) all requirements, if any, imposed by the Stock Exchange and the SFC, in connection with the transactions contemplated under the Transaction Documents, shall have been complied with in full;
- (vi) the representations and warranties of the Warrantors under the Note Purchase Agreement (“**Warranties**”) shall be true, correct, accurate, complete in all respects and not misleading when made, and shall continue to be true, correct, accurate, complete in all respects and not misleading as of the Closing Date, with the same force and effect as if they had been repeated throughout the period from (and including) the date of the Note Purchase Agreement to (and including) the Closing Date (or as of another date if any of the Warranties are made with respect to such other date); and

- (vii) the Investors shall have been (a) satisfied with the results of their commercial, financial and legal due diligence on the Group; and (b) performed and complied to their satisfaction all ‘know your customer’, anti-money laundering or similar identification procedures in respect of the Group.

In the event that any of the conditions precedent to the Closing is not fulfilled or waived on or prior to the Closing Date, each Investor may, at its option, and without prejudice to the rights of such Investor and each other Investor under the Note Purchase Agreement and all applicable Laws, (a) defer the Closing (with respect to such Investor only) to a later date; (b) proceed to the Closing in respect of the subscription of the relevant Senior Notes in accordance with the terms of the Note Purchase Agreement; or (c) terminate the Note Purchase Agreement, provided that if any other Investor proceeds with the Closing in accordance with the terms of the Note Purchase Agreement, the Note Purchase Agreement shall not be terminated but the Investor who has elected not to proceed to the Closing shall not be obliged to proceed with the Closing.

Specific performance obligations of Rong De and the Existing Ultimate Shareholders:

It is an event of default under the conditions of the Senior Notes, if, amongst others:

- (i) Rong De ceases to beneficially own not less than 3,670,000,000 Shares (and if there is a sub-division, consolidation or reclassification of those Shares, such number of Shares resulting from it);
- (ii) Rong De ceases to (a) control the Company, or (b) beneficially own at least 51% of the entire issued share capital of the Company on a fully-diluted basis;
- (iii) the Ultimate Shareholders cease to (a) control the Company, or (b) beneficially own in aggregate at least 51% of the entire issued share capital of the Company on a fully-diluted basis;
- (iv) the Ultimate Shareholders cease to (a) control Rong De, or (b) legally and beneficially own in aggregate at least 76.03% of the entire issued share capital of Rong De on a fully-diluted basis; and

- (v) any Existing Ultimate Shareholder ceases to be a Director, except that Mr. Liao Tengjia may resign from the Board if he ceases to beneficially own any share in Rong De.

Listing: No application will be made for a listing of the Senior Notes on the Stock Exchange or any stock exchange.

Use of proceeds: As stipulated in the Note Purchase Agreement, the Company shall, and each Warrantor shall procure each Obligor and each member of the Group to, use US\$210,000,000, being the full amount of the proceeds received from the issue of the Senior Notes, to repay all outstanding principal amount of the 2019 Notes (to the extent such outstanding principal amount of the 2019 Notes has not been set off or otherwise settled as contemplated under the Note Purchase Agreement) payable to the 2019 Creditors in relation to the 2019 Indebtedness.

Closing: The Closing has taken place on the Closing Date (i.e. 22 September 2022).

OTHER UNDERTAKINGS AND PROVISIONS

Pursuant to the Listco Share Charge, Rong De undertakes and agrees with the Security Agent throughout the continuance of the Listco Share Charge and as long as the obligations of the Obligors secured under the Senior Notes or any part thereof remain outstanding that, among others, Rong De will ensure that:

- (i) the LTV Ratio does not exceed 77.5%; and
- (ii) if, on any Trading Day (each a “**Calculation Date**”), the LTV Ratio exceeds 77.5%, Rong De shall, among others, as soon as possible and in any event within five (5) Business Days from such Calculation Date, deposit such number of Shares into the Listco Shares Account (“**Top-Up**”) such that, immediately after the Top-Up, the LTV Ratio does not exceed 77.5%.

The Security Trust Deed provides that from time to time and at all times while all or any part of the liabilities owing by each Obligor to the Investors under or in connection with the Senior Notes and all Transaction Documents remain outstanding, if the Company has redeemed such part of the Senior Notes in the aggregate principal amount of US\$21,000,000 (being equal to 10% of the aggregate principal amount of the Senior Notes as at the Issue Date) pursuant to the terms and conditions of the Senior Notes governing the voluntary redemption or mandatory redemption of the Senior Notes (each a “**Partial Redemption Amount**”, and each such redemption, a “**Partial Redemption**”), then with respect to each Partial Redemption in the Partial Redemption Amount, Rong De may give notice in writing to the Investors (each a “**Listco Share Charge Partial Release Notice**”) to request that 150,000,000 Charged Shares (being 5% of the 3,000,000,000 Charged Shares) (“**Listco Share Charge Partial Release Shares**”), and all rights, interest and title in and to the Listco Share Charge Partial Release Shares, be released and discharged from the encumbrances created by or pursuant to the Listco Share Charge (“**Listco Share Charge Partial Release**”), provided that:

- (i) the LTV Ratio does not exceed 77.5% following the Listco Share Charge Partial Release; and
- (ii) no default or event of default in connection with the Senior Notes has occurred or is continuing as at the date of the Listco Share Charge Partial Release Notice, and no default or event of default in connection with the Senior Notes has occurred or may reasonably be expected to occur on the date of the Listco Share Charge Partial Release.

REASONS FOR THE ISSUE OF SENIOR NOTES

The Group is principally engaged in property development, property investment, project management, and other property development related services in the PRC.

The Board considers that the issue of the Senior Notes represents an opportunity to raise funds for the Company to repay the 2019 Indebtedness.

LISTING RULES IMPLICATIONS

Pursuant to the Note Purchase Agreement, Rong De (a controlling Shareholder and thus a connected person of the Company) is required to provide collateral security and corporate guarantee for, and the Existing Ultimate Shareholders (each being a connected person of the Company) are required to provide personal Guarantees for, the issue of the Senior Notes and the continuing term of the Senior Notes. The provision of such collateral security and/or such guarantees is regarded as a provision of financial assistance to the Company by such connected persons of the Company and constitutes connected transactions of the Company under Chapter 14A of the Listing Rules. Given that no security over the assets of the Group is granted to Rong De and/or the Existing Ultimate Shareholders in respect of the grant of the financial assistance by them to secure the Company's obligations under the Transaction Documents and such grant of financial assistance is for the benefit of the Company on normal commercial terms (or better to the Company), such grant of financial assistance is fully exempted from the reporting, announcement and independent shareholders' approval requirements of Chapter 14A of the Listing Rules under Rule 14A.90 of the Listing Rules.

Pursuant to the Note Purchase Agreement, Rong De is required to enter into the Listco Share Charge, whereby Rong De's interests in, among other things, certain number of Shares in the Listco Shares Account are charged, by way of a first fixed charge, in favour of the Security Agent (as trustee for the benefit of itself and on behalf of the Investors). Such charge over the Shares is required to be disclosed pursuant to Rule 13.17 of the Listing Rules. Please refer to the paragraph headed "The Note Purchase Agreement — The Senior Notes — Security and guarantee" and the paragraph headed "Other undertakings and provisions" in this announcement for further details.

The conditions of the Senior Notes also included certain conditions imposing specific performance obligations on Rong De and the Existing Ultimate Shareholders (including but not limited to, a requirement to maintain a specified minimum holding in the share capital of the Company by each of Rong De and the Existing Ultimate Shareholders) and breach of such obligations would cause a default in respect of the Senior Notes, and such specific performance obligations of Rong De and the Existing Ultimate Shareholders is required to be disclosed pursuant to Rule 13.18 of the Listing Rules. Please refer to the paragraph headed "The Note Purchase Agreement — The Senior Notes — Specific performance obligations of Rong De and the Existing Ultimate Shareholders" and the paragraph headed "Other undertakings and provisions" in this announcement for further details.

DEFINITIONS

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

“2019 Creditors”	all creditors who are entitled to any payment under the 2019 Transaction Documents (including the 2019 Noteholders)
“2019 Indebtedness”	all outstanding indebtedness incurred by the 2019 Obligors under the 2019 Transaction Documents (including the 2019 Note Indebtedness and the 2019 Warrant Indebtedness) as at the Closing Date
“2019 Note Indebtedness”	all outstanding indebtedness incurred by the 2019 Obligors under the 2019 Notes as of the Closing Date
“2019 Noteholders”	all registered holders of the outstanding 2019 Notes as of the date of the Note Purchase Agreement
“2019 Notes”	the senior secured guaranteed notes in the aggregate principal amount of up to US\$410,000,000 due 2022 issued by the Company as constituted by the note certificates and the terms and conditions in relation thereto (as amended and supplemented from time to time), further details of which are set out in the announcements of the Company dated 22 September 2019 and 21 November 2019, and the circular of the Company dated 5 November 2019
“2019 Obligors”	the parties to the 2019 Transaction Documents other than the 2019 Noteholders, the Security Agent, the other 2019 Creditors and ABCI Securities Company Limited
“2019 Transaction Documents”	all transaction documents in connection with the issue and subscription of the 2019 Notes and the 2019 Warrants
“2019 Warrant Certificates”	certificates representing the 2019 Warrants held by all registered holders of the outstanding 2019 Warrants as at the date of the Note Purchase Agreement
“2019 Warrant Indebtedness”	all amounts payable to all registered holders of the outstanding 2019 Warrants as of the date of the Note Purchase Agreement under the 2019 Warrants as of the Closing Date
“2019 Warrant Instrument”	the warrant instrument dated 27 November 2019 executed by way of a deed poll by the Company creating and constituting the 2019 Warrants

“2019 Warrants”	the warrants with an aggregate amount of exercise moneys of US\$61,500,000 of the Company which entitle holders thereof to subscribe for shares of the Company at the initial strike price of HK\$1.6148 (as adjusted from time to time in accordance with the 2019 Warrant Instrument) with the current adjusted strike price of HK\$1.54, as constituted by the 2019 Warrant Instrument and warrant certificates issued to all registered holders of the outstanding 2019 Warrants as at the date of the Note Purchase Agreement, further details of which are set out in the announcements of the Company dated 22 September 2019, 21 November 2019 and 27 August 2021 and the circular of the Company dated 5 November 2019
“2021 PCS Deed Poll”	the deed executed by way of deed poll by the Company and Rong De on the Closing Date in relation to certain undertakings with respect to the HK\$250,000,000 8% perpetual capital securities of the Company issued to Rong De
“Accounting Period”	(i) each period of one (1) year ending on 31 December of each calendar year; and (ii) each period of six (6) months ending on 30 June of each calendar year
“Ai De”	Ai De Investments Limited (靄德投資有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“All Flourish”	All Flourish Investments Limited (通興投資有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Authorised Denomination”	the denomination of US\$1,000,000 or integral multiples thereof
“Blooming Rose”	Blooming Rose Enterprises Corp., a company incorporated in the BVI with limited liability, being one of the Investors
“Board”	the board of Directors
“Business Day”	a day on which licensed banks are open for general business in Hong Kong (other than a Saturday, Sunday, public holiday or a day on which licensed banks are not open for business, including owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong)
“BVI”	the British Virgin Islands

“Capital Fame”	Capital Fame Investments Limited (嘉鋒投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Charged Shares”	all of the Shares held in the Listco Shares Account as at the date of the Listco Share Charge or in the future, including (i) 3,000,000,000 Shares deposited in the Listco Shares Account as at the date of the Listco Share Charge; and (ii) (if applicable) any further Shares deposited into the Listco Shares Account, legally and beneficially owned by Rong De and subject to the encumbrances created by or pursuant to the Listco Share Charge
“Cheng Chang”	Cheng Chang Holdings Limited (誠昌控股有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“China Cinda”	China Cinda (HK) Asset Management Co., Limited, a company incorporated in Hong Kong with limited liability, being one of the Investors
“China Honest”	China Honest International Investments Limited (創豪國際投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Closing”	the consummation of the issue and subscription of the Senior Notes in accordance with the terms of the Note Purchase Agreement
“Closing Date”	the date on which the Closing occurs, i.e. 22 September 2022
“Company”	Zhuguang Holdings Group Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consolidated Adjusted Total Assets”	at any time, the aggregate value of all current assets and non-current assets of the Group on the account date of and as shown on the Financial Statements, minus all the advances from customers and contract liabilities of the Group on the account date of and as shown in the Financial Statements

“Consolidated Adjusted Total Debt”	at any time, the aggregate amount of all outstanding principal, capital interest, fees and other amounts payable under interest-bearing borrowings and other indebtedness (whether current or funded, secured or unsecured, including liabilities in respect of redeemable or repurchasable shares, capital stock or securities convertible into shares) of the Group on the account date of and as shown on the Financial Statements minus all the advances from customers and contract liabilities of the Group on the account date of and as shown in the Financial Statements
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Corporate Guarantee”	each deed of guarantee entered into between the Security Agent (for itself and on behalf of the Investors) and each Corporate Guarantor on the Closing Date, and “Corporate Guarantees” shall be construed accordingly
“Corporate Guarantors”	collectively: <ul style="list-style-type: none"> (i) Rong De; (ii) Zhuguang Group; (iii) South Trend; (iv) Cheng Chang; (v) Profaith International; (vi) Ai De; (vii) Top Perfect; (viii) Ever Crown; (ix) East Orient; (x) Fully Wise; (xi) Polyhero International; (xii) Top Asset; (xiii) All Flourish; (xiv) Talent Wide; (xv) Capital Fame; (xvi) Pacific Win; (xvii) World Sharp; (xviii) Gains Wide; (xix) Diamond Crown; (xx) Speedy Full; (xxi) Graceful Link; (xxii) Sharp Wisdom; (xxiii) Gold Charter; and (xxiv) China Honest, <p style="margin-top: 10px;">and each a “Corporate Guarantor”</p>

“Custodian Deed”	the custodian deed supplemental to the cash securities trading account terms and conditions in relation to the Listco Shares Account entered into between Rong De as chargor, ABCI Securities Company Limited as safekeeping agent and the Security Agent (for itself and on behalf of the Investors) on the Closing Date
“Diamond Crown”	Diamond Crown Limited (毅冠有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“East Orient”	East Orient Investment Limited (達東投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“EOD Redemption Amount”	upon early redemption of the Senior Note due to the occurrence of any event of default, the amount payable by the Company to each Noteholder who has delivered an EOD Redemption Notice
“Ever Crown”	Ever Crown Corporation Limited (冠恒興業有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Existing Ultimate Shareholders”	Mr. Liao Tengjia, Mr. Chu Hing Tsung and Mr. Chu Muk Chi, each being an executive Director, who, in aggregate, hold 100% equity interest in Rong De, and each an “Existing Ultimate Shareholder”
“Financial Statements”	(i) the audited consolidated financial statements of the Company for the year ending on 31 December of each calendar year (including the audited consolidated financial statements of the Company for the year ended 31 December 2021); and (ii) the unaudited consolidated financial statements of the Company for the six (6) months ending on 30 June of each calendar year (including the unaudited consolidated interim results of the Company for the six (6) months ended 30 June 2022)
“Fully Wise”	Fully Wise Investment Limited (惠豐投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Gains Wide”	Gains Wide Holdings Limited (利博控股有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company

“Gold Charter”	Gold Charter Investments Limited (高澤投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Governmental Authority”	any nation or government or any federation, province or state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission, instrumentality, securities exchange, supervisory or regulatory body of any country, or any political subdivision thereof, any court, tribunal or arbitrator, and any self-regulatory organisation
“Graceful Link”	Graceful Link Limited (愉興有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Heroic Day”	Heroic Day Limited, a company incorporated in the BVI with limited liability, being one of the Investors
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties independent of the Company and the connected persons of the Company and an “Independent Third Party” shall be construed accordingly
“Investors”	Blooming Rose, Heroic Day, China Cinda and Quan Xing, and each an “Investor”
“IRR”	an annual compounded, cumulative internal rate of return that produces a net present value of all cash flows (positive and negative) from an investment equal to zero
“Issue Date”	the initial issue date of the Senior Notes
“Law” or “Laws”	any constitutional provision, statute, ordinance or other law, regulation, rule (including the Listing Rules), code (including The Codes on Takeovers and Mergers and Share Buy-backs), guidance, decision, published official policy or published official interpretation of any Governmental Authority and any injunction, judgment, order, ruling, assessment or writ issued by any Governmental Authority

“Listco Share Charge”	the share charge entered into between Rong De (as chargor) and the Security Agent, which creates a security interest over, among other things, all rights, title and interest from time to time in and to certain Shares held by Rong De (3,000,000,000 Shares as at the date of the Listco Share Charge), the Listco Shares Account and all securities, monies and other assets standing to the credit thereof and all related rights thereto, on the Closing Date
“Listco Shares Account”	a specific cash securities trading account of Rong De established and operated in accordance with the Transaction Documents
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LTV Ratio”	on any Trading Day, the ratio of (i) the aggregate principal amount of the Senior Notes then outstanding on such date, to (ii) the aggregate market value of the Charged Shares, being the number of the Charged Shares on such date, multiplied by the closing price of such Charged Shares on such Trading Day
“Maturity Date”	the date falling thirty-six (36) months from the Issue Date, being 21 September 2025
“Net Asset Value”	the consolidated net asset value of the Group on the account date of and as shown in the Financial Statements
“Note Instrument”	the instrument executed by way of deed poll by the Company creating and constituting the Senior Notes on the Closing Date
“Note Purchase Agreement”	the note purchase agreement entered into by and among the Company, Rong De, the Existing Ultimate Shareholders and the Investors and dated 22 September 2022 in relation to the issue and subscription of the Senior Notes and the transactions contemplated thereunder
“Noteholder(s)”	registered holder(s) of any Senior Notes from time to time
“Obligors”	the parties to the Transaction Documents (other than the Investors, ABCI Securities Company Limited as the safekeeping agent and the Security Agent)
“Pacific Win”	Pacific Win Investments Limited (保鋒投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“Person”	any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership, proprietorship, enterprise or other entity (whether or not having separate legal personality) and that Person’s successors in title, permitted assigns and permitted transferees
“Personal Guarantee”	each deed of guarantee entered into between the Security Agent (for itself and on behalf of the Investors) and each Existing Ultimate Shareholder on the Closing Date, and “Personal Guarantees” shall be construed accordingly
“Polyhero International”	Polyhero International Limited (寶豪國際有限公司), a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Profaiith International”	Profaiith International Holdings Limited (盈信國際控股有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Quan Xing”	Quan Xing Holdings Limited (荃興控股有限公司), a company incorporated in the BVI with limited liability, being one of the Investors
“Rong De”	Rong De Investments Limited (融德投資有限公司), a company incorporated in the BVI with limited liability, being the controlling shareholder (within the meaning of the Listing Rules) of the Company
“Security Agent”	The Bank of New York Mellon, Hong Kong Branch, or its successor as appointed from time to time under the Security Trust Deed
“Security and Guarantee Documents”	(i) the Personal Guarantees; (ii) the Corporate Guarantees; (iii) the Listco Share Charge; (iv) the Subsidiary Share Charges; (v) each additional guarantee and security document; and (vi) any other document designated as such pursuant to the Note Purchase Agreement
“Security Trust Deed”	the security trust deed entered into between the Company, the Existing Ultimate Shareholders, Rong De, the Security Agent, the Investors, the Corporate Guarantors and the Subsidiary Chargors on the Closing Date

“Senior Notes”	the senior secured guaranteed notes in the aggregate principal amount of US\$210,000,000 (equivalent to approximately HK\$1,638,000,000) of the Company created and constituted by the Note Instrument
“SFC”	the Hong Kong Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Sharp Wisdom”	Sharp Wisdom Holdings Limited (銳智控股有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“South Trend”	South Trend Holdings Limited (南興控股有限公司), a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Speedy Full”	Speedy Full Limited (速溢有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Chargors”	collectively, (i) the Company; and (ii) the wholly-owned subsidiaries of the Company as follows, and each a “Subsidiary Chargor”:
	(a) Ai De;
	(b) Cheng Chang;
	(c) Profaith International;
	(d) South Trend;
	(e) All Flourish;
	(f) Zhuguang Group;
	(g) Top Perfect;
	(h) Gains Wide; and
	(i) Sharp Wisdom

“Subsidiary Share Charges”	the various share charges in favour of the Security Agent (for itself and on behalf of the Investors) executed by the Subsidiary Chargors as set out in the paragraph headed “The Note Purchase Agreement — The Senior Notes — Security and guarantee” on the Closing Date
“Talent Wide”	Talent Wide Holdings Limited (智博控股有限公司), a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Top Asset”	Top Asset Development Limited (通利發展有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Top Perfect”	Top Perfect Development Limited (泰恒發展有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Trading Day”	a day on which trading is conducted on the Stock Exchange in accordance with the Trading Rules of the Stock Exchange (other than a day on which both the morning and the afternoon trading sessions or either of them is cancelled, including owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong)
“Transaction Documents”	(i) the Note Purchase Agreement; (ii) the Note Instrument (and the Senior Notes as evidenced by the note certificates together with the terms and conditions attached thereto); (iii) the Security and Guarantee Documents; (iv) the Security Trust Deed; (v) the Custodian Deed; (vi) the 2021 PCS Deed Poll; (vii) any other document designated as such pursuant to the Note Purchase Agreement; and (viii) any deed, agreement, instrument, certificate and/or other document entered into by any party to the Note Purchase Agreement (other than the Investors), a member of the Group and/or their affiliates, and/or any of their respective directors, officers or employees pursuant to or in connection with any of the foregoing

“Ultimate Shareholder”	any Person who is or becomes a shareholder of Rong De and who has agreed to be bound by the Note Purchase Agreement as a warrantor, being initially, the Existing Ultimate Shareholders, and “Ultimate Shareholders” shall be construed accordingly
“US\$”	United States Dollars, the lawful currency of the United States of America
“Warrantors”	(i) the Company, (ii) Rong De and (iii) the Ultimate Shareholders, and each a “Warrantor”
“World Sharp”	World Sharp Investments Limited (華聲投資有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Zhuguang Group”	Zhuguang Group Limited (珠光集團有限公司), a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“%”	per cent

In this announcement, for the purpose of illustration only, amounts quoted in US\$ have been converted into HK\$ at the rate of HK\$7.80 per US\$1.00. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

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

Hong Kong, 22 September 2022

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.