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**MADISON**

— G R O U P —

**Madison Holdings Group Limited**

**麥迪森控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 08057)**

## **COMPLETION OF THE GRANT OF OPTION UNDER SPECIFIC MANDATE**

The Board is pleased to announce that all conditions precedent set out in the Option Agreement have been fulfilled and the Option, entitling the holder thereof to require the Company to allot and issue up to a maximum of 85,922,330 Option Shares at HK\$1.03 per Option Share, was granted by the Company to SRA on 23 August 2022 in accordance with the terms and conditions of the Option Agreement.

The Board is also pleased to announce that all conditions precedent set out in the Loan Extension Agreement have been fulfilled and the Loan Extension has become unconditional, upon which the maturity date of the Loan owed by Wine Financier, being an indirect non-wholly owned subsidiary of the Company, to SRA has been extended to 30 September 2023.

References are made to (i) the announcement of Madison Holdings Group Limited (the “**Company**”) dated 6 June 2022 and the circular of the Company dated 19 July 2022 (the “**Circular**”) in relation to, among others, the grant of Option; and (ii) the announcement of the Company dated 9 August 2022 in relation to the poll results of the EGM. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Circular.

## COMPLETION OF THE GRANT OF OPTION UNDER SPECIFIC MANDATE

The Board is pleased to announce that all conditions precedent set out in the Option Agreement have been fulfilled and the Option, entitling the holder thereof to require the Company to allot and issue up to a maximum of 85,922,330 Option Shares at HK\$1.03 per Option Share, was granted by the Company to SRA on 23 August 2022 in accordance with the terms and conditions of the Option Agreement.

Pursuant to the terms and conditions of the Option Agreement, the principal amount of the Loan may be set off against the Option Price payable by SRA on a dollar-for-dollar basis upon the exercise of the Option and the allotment and issue of the Option Shares. As such, no proceeds will be received by the Company upon the exercise of the Option.

## LOAN EXTENSION

The Board is also pleased to announce that all conditions precedent set out in the Loan Extension Agreement have been fulfilled and the Loan Extension has become unconditional, upon which the maturity date of the Loan owed by Wine Financier, being an indirect non-wholly owned subsidiary of the Company, to SRA has been extended to 30 September 2023.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Option Shares in full (assuming there being no other changes in the share capital of the Company between the date of this announcement and the full exercise of the Option).

| Name of Shareholders   | As at the date of<br>this announcement |               | Immediately after the allotment<br>and issue of the Option Shares<br>in full (assuming there being no<br>other changes in the share capital<br>of the Company between the date<br>of this announcement and the<br>full exercise of the Option) |               |
|--|--|---------------|--|---------------|
|  | Number of<br>Shares                    | Approximate % | Number of<br>Shares  | Approximate % |
| Royal Spectrum Holding Company Limited<br>("Royal Spectrum") (Notes 1 and 2) | 196,800,000                            | 31.58%        | 196,800,000  | 27.76%        |
| CVP Financial Group Limited ("CVP Financial")<br>(Note 2)                    | 50,487,272                             | 8.10%         | 50,487,272   | 7.12%         |
| Mr. Ting Pang Wan Raymond ("Mr. Ting")<br>(Notes 1 and 2)                    | 8,060,000                              | 1.29%         | 8,060,000  | 1.14%         |
| Kaiser Capital Holdings Limited ("Kaiser Capital")<br>(Note 2)               | 1,217,200                              | 0.20%         | 1,217,200  | 0.17%         |

| Name of Shareholders   | As at the date of<br>this announcement |                       | Immediately after the allotment<br>and issue of the Option Shares<br>in full (assuming there being no<br>other changes in the share capital<br>of the Company between the date<br>of this announcement and the<br>full exercise of the Option) |                       |
|--|--|-----------------------|--|-----------------------|
|  | Number of<br>Shares                    | Approximate %         | Number of<br>Shares  | Approximate %         |
| Highgrade Holding Limited (“ <b>Highgrade Holding</b> ”)<br>(Note 2)               | 187,200                                | 0.03%                 | 187,200  | 0.03%                 |
| Atlantis Investment Management Limited<br>(“ <b>Atlantis Investment</b> ”)(Note 3) | 68,224,500                             | 10.95%                | 68,224,500   | 9.62%                 |
| Software Research Associates, Inc. (Note 4)  | 40,454,545                             | 6.49%                 | 40,454,545   | 5.71%                 |
| SRA (Note 4)   | –                                      | –                     | 85,922,330   | 12.12%                |
| <b>Directors:</b>  |  |                       |  |                       |
| Mr. Zhang Li (“ <b>Mr. Zhang</b> ”)  | 442,000<br>(Note 5)                    | 0.07%                 | 442,000<br>(Note 5)  | 0.06%                 |
| Mr. Ji Zuguang (“ <b>Mr. Ji</b> ”)   | 208,978<br>(Note 6)                    | 0.03%                 | 208,978<br>(Note 6)  | 0.03%                 |
| Public Shareholders  | <u>257,045,532</u>                     | <u>41.25%</u>         | <u>257,045,532</u>   | <u>36.25%</u>         |
| <b>Total:</b>  | <u><u>623,127,227</u></u>              | <u><u>100.00%</u></u> | <u><u>709,049,557</u></u>  | <u><u>100.00%</u></u> |

*Notes:*

1. The entire issued share capital in Royal Spectrum is legally and beneficially owned as to 96.63% by Devoss Global Holdings Limited (“**Devoss Global**”) and 3.37% by Zhu Qin respectively. Devoss Global is deemed to be interested in the Shares held by Royal Spectrum under Part XV of the SFO.
2. Each of Devoss Global, CVP Financial, Kaiser Capital and Highgrade Holding is wholly-owned by Mr. Ting. Mr. Ting is deemed to be interested in 248,691,672 Shares, representing approximately 39.91% of the issued share capital of the Company, held by Devoss Global, CVP Financial, Kaiser Capital and Highgrade Holding under Part XV of the SFO.
3. Based on the notices of disclosure of interest filed by Atlantis Capital Group Holdings Limited (“**ACGHL**”) and Ms. Liu Yang on 14 January 2022 respectively, Atlantis Investment is wholly-owned by ACGHL, which in turn is wholly-owned by Ms. Liu Yang. As such, ACGHL and Ms. Liu Yang are both deemed to be interested in 68,224,500 Shares, representing approximately 10.95% of the issued share capital of the Company, held by Atlantis Investment under Part XV of the SFO.
4. Software Research Associates, Inc. is a direct wholly-owned subsidiary of SRA. As such, SRA is deemed to be interested in the Shares in which Software Research Associates, Inc. is interested in under Part XV of the SFO.
5. Ms. Chen Hua is the spouse of Mr. Zhang. Mr. Zhang is deemed to be interested in the Shares in which Ms. Chen Hua is interested in by virtue of the SFO.

6. Plan Marvel Investment Limited (“**Plan Marvel**”), being a company incorporated in the British Virgin Islands with limited liability, is wholly-owned by Mr. Ji. Mr. Ji is deemed to be interested in 208,978 Shares held by Plan Marvel by virtue of the SFO.
7. Certain percentage figures in the above table are subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

By order of the Board  
**Madison Holdings Group Limited**  
**Ji Zuguang**  
*Chairman and Non-executive Director*

Hong Kong, 23 August 2022

*As at the date of this announcement, the executive Directors are Ms. Kuo Kwan and Mr. Zhang Li; the non-executive Directors are Mr. Ip Cho Yin J.P. and Mr. Ji Zuguang; and the independent non-executive Directors are Mr. Chu Kin Wang Peleus, Dr. Lau Reimer, Mary Jean and Mr. Zhou Li.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its publication and on the website of the Company at [www.madison-group.com.hk](http://www.madison-group.com.hk).*