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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Zhuguang Holdings Group Company Limited (“Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchasers or transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchasers or transferees.

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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)

**(1) ISSUE OF WARRANTS AND ALLOTMENT AND ISSUE OF
WARRANT SHARES UNDER SPECIFIC MANDATE;
(2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting of the Company to be held at 3:00 p.m. on Tuesday, 11 October 2016 at 19/F, Zhuguang International Commercial Centre, No. 3 Qingyi Street, Race Course Road, Tianhe District, Guangzhou, the PRC is set out on pages SGM-1 to SGM-3 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof to the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

23 September 2016

** For identification purposes only*

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“2013 Creditors”	means all creditors who are entitled to any payment under the 2013 Transaction Documents including the registered holders of the outstanding 2013 Notes as at the date of the Note Purchase Agreement
“2013 Indebtedness”	means all outstanding indebtedness incurred by the 2013 Obligors under the 2013 Transaction Documents (including the 2013 Note Indebtedness but excluding the 2013 Warrants Indebtedness) as at the First Closing Date
“2013 Note Indebtedness”	means all outstanding indebtedness incurred by the Company under the 2013 Notes as at the First Closing Date
“2013 Notes”	means the senior secured guaranteed notes in the principal amount of up to US\$200,000,000 due 2016 issued by the Company as constituted by the note certificates and the terms and conditions in relation thereto, further details of which are set out in the announcements of the Company dated 22 July 2013, 5 August 2013, 26 September 2013, 15 October 2013 and 16 October 2013
“2013 Obligors”	means each party to the 2013 Transaction Documents, other than the investors in the 2013 Notes, The Bank of New York Mellon, Hong Kong Branch and all other 2013 Creditors
“2013 Transaction Documents”	means all transaction documents in connection with the issue by the Company of the 2013 Notes and the 2013 Warrants
“2013 Warrant Instrument”	means the warrant instrument dated 5 August 2013 executed by way of a deed poll under seal of the Company as amended and supplemented by the supplemental instrument dated 14 July 2014 executed by way of a deed poll under seal of the Company in relation to the 2013 Warrants
“2013 Warrants”	means the warrants with an aggregate amount of exercise moneys of up to US\$40,000,000 of the Company which entitles holders thereof to subscribe for shares of the Company at the initial strike price of HK\$2.2691 as constituted by the 2013 Warrant Instrument, and warrant certificates issued to the registered holders of the 2013 Warrants, further details of which are set out in the announcements of the Company dated 22 July 2013, 5 August 2013, 26 September 2013, 15 October 2013 and 16 October 2013

DEFINITIONS

“2013 Warrants Indebtedness”	means all amounts payable, including all redemption amounts payable by the Company, to the registered holders of the outstanding 2013 Warrants
“2014 Creditors”	means all creditors who are entitled to any payment under the 2014 Transaction Documents including the registered holders of the outstanding 2014 Notes as at the date of the Note Purchase Agreement
“2014 Indebtedness”	means all outstanding indebtedness incurred by the 2014 Obligors under the 2014 Transaction Documents (including the 2014 Note Indebtedness but excluding the 2014 Warrants Indebtedness) as at the Second Closing Date
“2014 Note Indebtedness”	means all outstanding indebtedness incurred by the Company under the 2014 Notes as at the Second Closing Date
“2014 Notes”	means the senior secured guaranteed notes in the principal amount of up to US\$350,000,000 due 2017 issued by the Company as constituted by the note certificates and the terms and conditions in relation thereto, further details of which are set out in the announcements of the Company dated 22 June 2014, 26 June 2014, 17 July 2014, 21 July 2014, 28 December 2014, 8 January 2015 and 13 February 2015
“2014 Obligors”	means each party to the 2014 Transaction Documents, other than the investors in the 2014 Notes, The Bank of New York Mellon, Hong Kong Branch and all other 2014 Creditors
“2014 Transaction Documents”	means all transaction documents in connection with the issue by the Company of the 2014 Notes and 2014 Warrants
“2014 Warrants”	means the warrants with an aggregate amount of exercise moneys of up to US\$70,000,000 of the Company which entitles holders thereof to subscribe for shares of the Company at the initial strike price of HK\$2.3778 as constituted by the warrant instrument dated 17 July 2014 executed by way of a deed poll under seal of the Company as amended and supplemented from time to time, and warrant certificates issued to the registered holders of the 2014 Warrants, further details of which are set out in the announcements of the Company dated 22 June 2014, 26 June 2014, 17 July 2014, 21 July 2014, 28 December 2014, 8 January 2015 and 13 February 2015

DEFINITIONS

“2014 Warrants Indebtedness”	means all amounts payable, including all redemption amounts payable by the Company, to the registered holders of the outstanding 2014 Warrants
“Ai De”	Ai De Investments Ltd. (靄德投資有限公司), a company incorporated in BVI and an indirect wholly-owned subsidiary of the Company
“Announcement”	the announcements of the Company dated 3 August 2016 and 22 August 2016 in relation to the issue of the Senior Notes and the Warrants
“associate”	has the meaning ascribed to it under the Listing Rules
“Base Redemption Amount”	an amount equal to 100% of the principal amount stated in the certificate of the Senior Notes
“Board”	the board of Directors
“Blooming Rose”	Blooming Rose Enterprises Corp., a BVI Business Company incorporated under the laws of the BVI
“Business Day”	a day on which commercial banks in Hong Kong are generally open for business other than Saturday and Sunday or a public holiday, or a day on which commercial banks do not open for business owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong
“BVI”	British Virgin Islands
“Cheng Chang”	Cheng Chang Holdings Ltd. (誠昌控股有限公司), a company incorporated in BVI and an indirect wholly-owned subsidiary of the Group
“Closing”	means the First Closing, the Warrant Closing, the Second Closing or the Third Closing
“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
“Company Account”	means a bank account established or to be established in the name of the Company in accordance with the Note Purchase Agreement
“connected person”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Controlling Shareholder” or “Rong De”	Rong De Investments Limited, a company incorporated in BVI, being the controlling shareholder (within the meaning of the Listing Rules) of the Company
“Corporate Guarantee”	the deed of guarantee entered into between the Security Agent and each Corporate Guarantor on the First Closing Date, and “Corporate Guarantees” shall be construed accordingly
“Corporate Guarantors”	means <ul style="list-style-type: none">(i) Rong De;(ii) Zhuguang Group;(iii) South Trend;(iv) Cheng Chang;(v) Profaitth International;(vi) Ai De;(vii) Top Perfect;(viii) Ever Crown;(ix) East Orient;(x) Fully Wise;(xi) Polyhero International;(xii) Top Asset; and(xiii) Vanco Investment and each a “Corporate Guarantor”
“Deed of Adherence”	the deed of adherence to be executed by any Second Tranche Investor, any Third Tranche Investor and any transferee of the Senior Notes pursuant to the terms of the Transaction Documents
“De-listing Early Redemption Date”	the date on which all the outstanding Senior Notes are redeemed from the Noteholders pursuant to the terms and conditions of the Senior Notes upon the occurrence of any of the events of default as set out in sub-paragraphs (xi) to (xiii) under the paragraph headed “The Note Purchase Agreement — The Senior Notes — Events of Default” in the Letter from the Board in this circular
“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 and an indirect wholly-owned subsidiary of the Company
“EOD Redemption Amount”	the amounts payable by the Company to the Noteholder in respect of the outstanding principal amount of the Senior Notes on the date of such redemption upon early redemption of the Senior Notes due to occurrence of any event of default on the date of such redemption

DEFINITIONS

“Ever Crown”	Ever Crown Corporation Limited (冠恒興業有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“First Closing”	the consummation of the issue and purchase of the First Tranche Notes
“First Closing Date”	4 August 2016, the date on which the First Closing took place, which was the same as the maturity date of the 2013 Notes
“First Closing Long Stop Date”	means 4 August 2016, being the latest date on which the Warrantors shall have procured fulfilment of all of the conditions precedent in relation to the First Closing in accordance with the Note Purchase Agreement
“First Tranche Investors”	Blooming Rose, Heroic Day and SPDBI, and “First Tranche Investor” means any one of them
“First Tranche Notes”	the Senior Notes of an aggregate principal amount of US\$190,000,000 (equivalent to HK\$1,482,000,000) issued by the Company to the First Tranche Investors at the First Closing
“First Tranche Warrants”	the Warrants to be issued by the Company to the First Tranche Investors representing exercise moneys of US\$28,500,000 at the Warrant Closing in respect of the First Tranche Warrants
“First Tranche Warrant Shares”	the Warrant Shares that will be issued by the Company upon the full exercise of the subscription rights under the First Tranche Warrants
“Fund Payment Instruction”	the written instructions provided or to be provided by the Company to (i) each First Tranche Investor in relation to the payment of the principal amount of the respective First Tranche Notes; and (ii) each Second Tranche Investor in relation to the payment of the principal amount of the respective Second Tranche Notes
“Fully Wise”	Fully Wise Investment Limited (惠豐投資有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Governmental Authority”	means 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

DEFINITIONS

“Group”	the Company and its subsidiaries
“Heroic Day”	Heroic Day Limited, a BVI Business Company incorporated under the laws of the BVI
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the proposed increase in the authorised share capital of the Company from HK\$600,000,000 (divided into 6,000,000,000 Shares) to HK\$1,000,000,000 (divided into 10,000,000,000 Shares) by the creation of an additional 4,000,000,000 Shares
“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”	the First Tranche Investors, the Second Tranche Investors and the Third Tranche Investors, 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
“Latest Practicable Date”	20 September 2016, being the last practicable date prior to the printing of this circular for the purpose of ascertaining information for inclusion in this circular
“Law” or “Laws”	means any constitutional provision, statute or other law, rule, regulation, guidance, decisions, 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 Shares Account”	a specific cash securities trading account of the Controlling Shareholder established and operated in accordance with the Transaction Documents
“Listco Share Charge”	the share charge executed by Rong De on the First Closing Date in favour of the Security Agent (for itself and on behalf of the other Investors) in respect of initially 2,542,000,000 Shares beneficially held by Rong De
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Majority First Tranche Investors”	means one or more First Tranche Investors who has, solely or in aggregate, agreed to subscribe for 85% or more of the principal amount of the First Tranche Notes

DEFINITIONS

“Market Price”	the average of the closing prices of one Share on the Stock Exchange in respect of dealings in board lots for the five consecutive Trading Days ending on the last Trading Day preceding the day on or as of which the Market Price is to be ascertained
“Maturity Date”	the day falling 36 months from the First Closing Date, on which the outstanding principal amount payable under the Senior Notes become due and payable
“Note Closing”	means the First Closing, the Second Closing or the Third Closing
“Noteholder(s)”	holder(s) of any amount of the Senior Notes from time to time
“Note Purchase Agreement”	the note purchase agreement entered into by and among the Company, the Controlling Shareholder, the Ultimate Shareholders and certain Investors dated 3 August 2016 in relation to the issue of the Senior Notes and the transactions contemplated thereunder
“Obligors”	the parties to the Transaction Documents other than the Investors and the Security Agent, and “Obligor” means any one of them
“Person”	any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity
“Personal Guarantee”	the deed of guarantee entered into between the Security Agent (for itself and on behalf of the other Investors) and each Ultimate Shareholders on the First 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, and an indirectly wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China, for the purposes of this circular only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Profaith International”	Profaith International Holdings Ltd. (盈信國際控股有限公司), a company incorporated in the BVI and an indirect wholly-owned subsidiary of the Company
“Repayment Accounts”	the bank accounts designated by the 2013 Creditors and 2014 Creditors for the purpose of settling the 2013 Indebtedness and 2014 Indebtedness in full on the First Closing Date and the Second Closing Date respectively

DEFINITIONS

“Reserve Account”	a bank account established in the name of Zhuguang Group and operated in accordance with the terms and conditions of the Note Purchase Agreement
“Second Closing”	means the consummation of the issue and purchase of the Second Tranche Notes
“Second Closing Date”	the date on which the Second Closing occurs, which shall be the date falling within three (3) Business Days after the fulfillment of the conditions to the Second Closing
“Second Closing Long Stop Date”	29 September 2016, being the latest date on which the Warrantors shall have procured fulfilment of all of the conditions precedent in relation to the Second Closing in accordance with the Note Purchase Agreement
“Second Tranche Investors”	Blooming Rose, Heroic Day and such Investors being persons who are not connected persons of the Company as identified by the Company which will purchase the Second Tranche Notes at the Second Closing, subject to the satisfaction of various conditions precedent on or before the Second Closing Long Stop Date
“Second Tranche Notes”	the Senior Notes of an aggregate principal amount of up to US\$220,000,000 (equivalent to HK\$1,716,000,000) to be issued by the Company to the Second Tranche Investors at the Second Closing
“Second Tranche Warrants”	the Warrants to be issued by the Company to the Second Tranche Investors, representing exercise moneys of up to US\$33,000,000 on the Second Warrant Closing Date
“Second Warrant Closing Date”	the date on which the consummation of the issue of the Second Tranche Warrants to each Second Tranche Investor occurs, which shall be the later of (i) the Second Closing Date; and (ii) a date falling within three (3) Business Days after the fulfillment of the conditions to the Warrant Closing
“Security Agent”	The Bank of New York Mellon, Hong Kong Branch, or its successor as appointed from time to time by the Investors in accordance with the terms of the Transaction Documents
“Security Documents”	(i) the Personal Guarantees; (ii) the Corporate Guarantees; (iii) the Listco Share Charge; (iv) the Subsidiary Share Charges; (v) each document required to be executed by an Obligor under or in connection with each Security Document; and (vi) any other document designated as such by the Security Agent and the Company

DEFINITIONS

“Security Trust Deed”	the security trust deed entered into between the Company, the Ultimate Shareholders, Rong De, the Security Agent, the Investors, the Corporate Guarantors and the Subsidiary Chargors on the First Closing Date
“Senior Notes”	the senior secured guaranteed notes issued and to be issued by the Company in the aggregate principal amount of US\$500,000,000
“SFC”	Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company convened to be held at 3:00 p.m. on Tuesday, 11 October 2016 at 19/F, Zhuguang International Commercial Centre, No. 3 Qingyi Street, Race Course Road, Tianhe District, Guangzhou, the PRC for the purpose of considering and, if thought fit, approving (i) the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares; and (ii) the Increase in Authorised Share Capital
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Incentive Scheme”	any scheme approved in general meeting(s) by the Shareholders for the issue or grant to such eligible participants or their personal representatives of Shares or options to subscribe for Shares in accordance with the requirements of the Stock Exchange and the Listing Rules
“Shareholder(s)”	holder(s) of the Share(s)
“South Trend”	South Trend Holdings Ltd. (南興控股有限公司), a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“SPDBI”	SPDB International Investment Management Limited, a company incorporated under the laws of Hong Kong
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the SGM for the allotment and issue of the Warrant Shares upon the exercise of the Subscription Rights
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Strike Price”	the price payable to subscribe for one Warrant Share upon exercise of the Subscription Rights conferred by a Warrant, which is subject to adjustments
“Subscription Rights”	the subscription rights that are attached to the Warrants to subscribe for the Warrant Shares
“Subsidiary Chargors”	means <ul style="list-style-type: none">(i) Ai De;(ii) Profaitth International;(iii) South Trend;(iv) Cheng Chang; and(v) Zhuguang Group each being a wholly-owned subsidiary of the Company, and each a “Subsidiary Chargor”
“Subsidiary Share Charges”	the various share charges in favour of the Security Agent (for itself and on behalf of the other Investors) to be executed by certain subsidiaries of the Company as set out in the paragraph headed “The Note Purchase Agreement — The Senior Note — Security” in the Letter from the Board in this circular
“Termination Date”	the earliest of (i) the date on which all Subscription Rights in respects of such Warrants have been exercised in full, (ii) De-listing Early Redemption Date, and (iii) the date falling 36 months from the issue date of such Warrant
“Third Closing”	means the consummation of the issue and purchase of the Third Tranche Notes
“Third Closing Date”	the date on which the Third Closing occurs, which shall be the date falling within three (3) Business Days after the fulfillment of the conditions to the Third Closing
“Third Closing Long Stop Date”	31 December 2016, being the latest date on which the Warrantors shall have procured fulfilment of all of the conditions precedent in relation to the Third Closing in accordance with the Note Purchase Agreement
“Third Tranche Investors”	such Investors being persons who are not connected persons of the Company as to be identified by the Company which will purchase the Third Tranche Notes at the Third Closing, subject to the satisfaction of various conditions precedent on or before the Third Closing Long Stop Date

DEFINITIONS

“Third Tranche Notes”	the Senior Notes of an aggregate principal amount of up to US\$90,000,000 (equivalent to HK\$702,000,000) to be issued by the Company to the Third Tranche Investors at the Third Closing
“Third Tranche Warrants”	the Warrants to be issued by the Company to the Third Tranche Investors, representing exercise moneys of up to US\$13,500,000 at the Third Closing
“Top Asset”	Top Asset Development Limited (通利發展有限公司), a company incorporated in Hong Kong 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 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 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”	means (i) the Note Purchase Agreement; (ii) the certificates of the Senior Notes (together with terms and condition attached thereto); (iii) the Warrant Instrument and the Warrant Certificates; (iv) the Security Trust Deed; (v) the Security Documents; (vi) any deeds of adherence, deeds of accession, deeds of novation, other agreements, instruments, certificates executed or entered into pursuant to or in connection with any of the foregoing
“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 “Ultimate Shareholder”
“US\$”	United States Dollars, the lawful currency of the United States of America
“Vanco Investment”	Vanco Investment Limited (雅豪投資有限公司), a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“Warrant Certificates”	the certificates representing the Warrants together with the terms and conditions of the Warrants

DEFINITIONS

“Warrant Closing”	means the consummation of the issue and purchase of the First Tranche Warrants, the Second Tranche Warrants and the Third Tranche Warrants to the First Tranche Investors, the Second Tranche Investors and the Third Tranche Investors respectively
“Warrant Closing Date”	the date on which the relevant Warrant Closing occurs, which, in the case of the First Tranche Warrants, shall be a date falling within three (3) Business Days after the fulfilment of the conditions to the respective Warrant Closing, and in the case of the Second Tranche Warrants and the Third Tranche Warrants, shall be the later of (i) the closing date of the respective Senior Notes; and (ii) a date falling within three (3) Business Days after the fulfilment of the conditions to the respective Warrant Closing
“Warrant Instrument”	the instrument constituting the Warrants
“Warrant Share(s)”	the Share(s) which may be subscribed for by the holder of the Warrants pursuant to the exercise of the Subscription Rights
“Warrantholder”	the Person in whose name the Warrants are registered from time to time
“Warrantors”	(i) the Company, (ii) Rong De and (iii) the Ultimate Shareholders
“Warrants”	Warrants, including the First Tranche Warrants, the Second Tranche Warrants and the Third Tranche Warrants, in the amount of US\$75,000,000 to be issued by the Company to the Investors, which entitle the holder(s) thereof to subscribe for the Shares at the Strike Price
“Zhuguang Group”	Zhuguang Group Limited (珠光集團有限公司), a company incorporated in BVI with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent

In this circular, 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.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Chu Hing Tsung (alias Mr. Zhu Qing Yi)

(Chairman)

Mr. Liao Tengjia *(Chief Executive Officer)*

Mr. Huang Jiajue *(Deputy Chairman)*

Mr. Chu Muk Chi (alias Mr. Zhu La Yi)

Ms. Ye Lixia

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Independent non-executive Directors:

Mr. Leung Wo Ping *JP*

Mr. Wong Chi Keung

Dr. Feng Ke

Principal place of business

in Hong Kong:

Room 5702-5703, 57th Floor

Two International Finance Centre

8 Finance Street

Central, Hong Kong

23 September 2016

To the Shareholders

Dear Sir or Madam,

**(1) ISSUE OF WARRANTS AND ALLOTMENT AND ISSUE OF
WARRANT SHARES UNDER SPECIFIC MANDATE; AND
(2) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

INTRODUCTION

Reference is made to the Announcement in which the Company announced that after trading hours on 3 August 2016, the Company, Rong De, the Ultimate Shareholders and the First Tranche Investors entered into the Note Purchase Agreement, pursuant to which the Company has agreed, conditionally, to issue to the Investors, and the Investors have agreed to, severally and not jointly, purchase from the Company, the Senior Notes. In consideration of the purchase of the Senior Notes by each Investor and the entering into other transactions contemplated under the Transaction Documents by such Investors, the Company, pursuant to the Specific Mandate, will issue the Warrants to such Investors.

** For identification purposes only*

LETTER FROM THE BOARD

The SGM will be held to consider and, if thought fit, pass the requisite resolutions to approve (i) the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares; and (ii) the Increase in Authorised Share Capital.

The purpose of this circular is to give you, among other matters, (i) further details of the Warrants; (ii) further details of the Increase in Authorised Share Capital; and (iii) a notice convening the SGM.

THE NOTE PURCHASE AGREEMENT

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

Date

3 August 2016

Parties

- | | |
|-------------------------------|---|
| (i) Issuer: | The Company |
| (ii) Controlling Shareholder: | Rong De, which is principally engaged in investment holding |
| (iii) Ultimate Shareholders: | <ol style="list-style-type: none">(1) Mr. Liao Tengjia, who is the chief executive officer of the Company and an executive Director, and the beneficial owner of 36.00% equity interest in the Controlling Shareholder 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 the Controlling Shareholder 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 the Controlling Shareholder as at the date of the Note Purchase Agreement. |
| (iv) Investors: | <ol style="list-style-type: none">(1) Blooming Rose and (2) Heroic Day, each in its capacity as a First Tranche Investor and Second Tranche Investor, and (3) SPDBI in its capacity as a First Tranche Investor. |

LETTER FROM THE BOARD

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

Information on the Investors

Blooming Rose is a limited liability company incorporated in the BVI. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Blooming Rose is principally engaged in investment holding, and it is indirectly wholly-owned by China Orient Asset Management Co., Ltd. ("COAM"). COAM is a state-owned non-banking financial institution established in Beijing, the PRC.

Heroic Day is a limited liability company incorporated in the BVI. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Heroic Day is principally engaged in investment holding, and it is indirectly wholly-owned by ABC International Holdings Limited, a company incorporated in Hong Kong in November 2009, which is wholly-owned by Agricultural Bank of China Limited, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1288) and the Shanghai Stock Exchange (stock code: 601288).

SPDBI is a limited liability company incorporated in Hong Kong. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, SPDBI is principally engaged in investment management, and it is indirectly wholly-owned by Shanghai Pudong Development Bank ("SPDB"), a nationwide joint-stock commercial bank listed in 1999 on the Shanghai Stock Exchange (Stock Code: 600000).

The Company is of the view that these Investors, who have subscribed for the First Tranche Notes, enabled the Company to raise funds to repay the 2013 Indebtedness which was due in August 2016 and is therefore beneficial to the Company and its shareholders as a whole. In addition, if such Investors exercise the Subscription Rights, the shareholders base of the Company will be broadened and strengthened.

As at the Latest Practicable Date, the Company was in the course of identifying the Third Tranche Investors and (if any) the remaining Second Tranche Investors and the Company will publish an announcement if and when the identities of the remaining Second Tranche Investors and/or the Third Tranche Investors (if any) have been confirmed and the corresponding Deeds of Adherence have been executed.

LETTER FROM THE BOARD

Subject matter

Pursuant to the Note Purchase Agreement, the Company shall issue to the Investors: (i) the Senior Notes in the aggregate principal amount of up to US\$500,000,000 (equivalent to HK\$3,900,000,000); and (ii) the Warrants in the aggregate exercise moneys of up to US\$75,000,000 (equivalent to HK\$585,000,000). The Investors' obligations to purchase the Senior Notes are several.

The Senior Notes

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

Principal amount,	Up to US\$500,000,000 (equivalent to HK\$3,900,000,000).
First Tranche Investors,	
Second Tranche Investors	Subject to the conditions as set out in the paragraph headed
and the Third Tranche	"The Note Purchase Agreement — The Senior Notes —
Investors:	Conditions precedent" below the Company shall issue to the
	First Tranche Investors, and the First Tranche Investors shall
	purchase the First Tranche Notes in the aggregate amount of
	US\$190,000,000 (equivalent to HK\$1,482,000,000) on the
	First Closing Date. The First Tranche Notes were subscribed,
	as to US\$150,000,000 by Blooming Rose, as to US\$30,000,000
	by Heroic Day and as to US\$10,000,000 by SPDBI.
	Subject to, among other conditions, the First Closing being
	completed, the Company shall issue the Second Tranche Notes
	pursuant to the terms and conditions set out in the Deeds of
	Adherence executed by the Second Tranche Investors in the
	aggregate amount of up to US\$220,000,000 (equivalent to
	HK\$1,716,000,000) to the Second Tranche Investors, on the
	Second Closing Date. The Second Tranche Notes will be
	subscribed, as to US\$100,000,000 by Blooming Rose and
	as to US\$70,000,000 by Heroic Day, and the remaining will
	be subscribed by the other Second Tranche Investors to be
	identified by the Company (if any).
	Subject to, among other conditions, the First Closing and the
	Second Closing being completed, the Company may issue the
	Third Tranche Notes pursuant to the terms and conditions set
	out in the Deeds of Adherence executed by the Third Tranche
	Investors in the aggregate amount of up to US\$90,000,000
	(equivalent to HK\$702,000,000) to the Third Tranche
	Investors, on the Third Closing Date.

LETTER FROM THE BOARD

- Maturity Date:** The day falling 36 months after the issue date of the Senior Notes, on which the outstanding principal amount payable under the Senior Notes becomes due and payable (subject to early repayment in the event of an occurrence of an event of default, Set-off Event (as defined below) or redemption of the Senior Notes, in whole or in part, by the Company, in each case, pursuant to the terms and conditions attached to the Senior Notes).
- Interest rate:** The Company shall pay interest on the outstanding principal amount of the Senior Notes at the rate of 11% per annum, in cash, on the last day of (i) the three-month period commencing on (and including) the issue date of the Senior Notes, and (ii) each successive three-month period, with the last three-month period ending on (and including) the Maturity Date. The amount of interest due and payable on any Interest payment date shall be deposited into the Reserve Account at least fifteen (15) days before the relevant interest payment date.
- Ranking:** The Senior Notes constitute direct, unconditional, secured, guaranteed, unsubordinated and general obligations of the Company and rank equally 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, unsubordinated and secured obligations issued, created or assumed by the Company.
- Security:** 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 Noteholders):
- (i) the Listco Share Charge executed by the Controlling Shareholder on the First Closing Date over its interest over a final balance of 2,542,000,000 Shares plus the Top-up Shares (as defined below) at or prior to the Third Closing in the Listco Shares Account;
 - (ii) the Subsidiary Share Charges executed or to be executed by each of the Subsidiary Chargors in respect of all the issued share capital of each of (a) Ai De; (b) Cheng Chang; (c) Profaitch International; (d) Top Perfect; (e) Ever Crown; (f) East Orient; (g) Fully Wise; and (h) Vanco Investment, in each case, on or prior to the First Closing Date; and (i) Polyhero International; and (j) Top Asset, both on or prior to the Second Closing Date, held by such Subsidiary Chargor.

LETTER FROM THE BOARD

- (iii) the Personal Guarantees executed by each of the Ultimate Shareholders (namely, Mr. Liao Tengjia, Mr. Chu Hing Tsung and Mr. Chu Muk Chi) on the First Closing Date to guarantee the performance of the obligations of the Obligors; and
- (iv) the Corporate Guarantees executed by each of the Corporate Guarantors on the First Closing Date to guarantee the performance of the obligations of the Obligors.

Transfer:

The Senior Notes are freely transferable in whole or in part (in multiples of US\$1,000,000) by the Noteholders to any Person subject to compliance with all applicable Law, provided that no transfer shall be made to a connected person of the Company.

Events of default:

Each Noteholder is entitled to require the Senior Notes registered in its name to be redeemed at the EOD Redemption Amount upon occurrence of any event of default. Such events of default include:

- (i) any failure by the Company to pay the principal, and/or any interest due and payable on the Senior Notes or any other amount due and payable under any Transaction Document on their respective due dates;
- (ii) (a) any failure by the Company, for any reason, to issue Warrants on the date of the relevant Closing; or (b) any failure by the Shareholders to approve the allotment and issuance of all Warrant Shares under the Specific Mandate on or before 14 October 2016 or (c) if the Specific Mandate has been subsequently revoked;
- (iii) the Ultimate Shareholders ceasing to (a) control the Company; or (b) effectively and beneficially own in aggregate at least 51% of the total issued share capital of the Company on a fully-diluted basis;
- (iv) the Ultimate Shareholders ceasing to (a) control the Controlling Shareholder; or (b) legally and beneficially own in aggregate at least 70% of the total issued share capital of the Controlling Shareholder on a fully-diluted basis;
- (v) the Controlling Shareholder ceasing to beneficially own at least 2,000,000,000 Shares;

LETTER FROM THE BOARD

- (vi) the Controlling Shareholder ceasing to (a) control the Company; or (b) beneficially own at least 51% of the total issued share capital of the Company on a fully-diluted basis;
- (vii) the Company issues any notes or bonds or convertible notes or bonds or similar securities and the maturity date thereof is earlier than the Maturity Date of any Senior Notes;
- (viii) any representation, warranty, certification or statement made by or on behalf of the Company or any other Obligor under any of the Transaction Documents being incorrect, misleading or false;
- (ix) the net asset value of the Company, as reasonably determined by the Noteholder(s) representing not less than 85% of the total principal amount of all the Senior Notes outstanding at the relevant time, is less than HK\$2,500,000,000;
- (x) the trading in the Shares on the Stock Exchange is suspended for any reason other than pending release of announcement relating to any inside information under the Listing Rules or the SFO, any notifiable and/or connected transaction under Chapters 14 and/or 14A of the Listing Rules, and/or any announcement to be made pursuant to The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC;
- (xi) the Company submitting a notification to the Stock Exchange of its proposed cancellation of the admission of the Shares;
- (xii) the Shareholders approving a resolution to delist the Company from the Main Board of the Stock Exchange;
- (xiii) the Company ceasing to be listed on the Stock Exchange; and
- (xiv) any breach by the Company of its undertaking relating to the use of proceeds from the issue of the Senior Notes as specified in the Note Purchase Agreement.

LETTER FROM THE BOARD

- EOD Redemption Amount: The amount payable by the Company to the Noteholder in respect of the outstanding principal amount of the Senior Notes on the date of such early redemption due to occurrence of any event of default, being the aggregate of:
- (i) Base Redemption Amount;
 - (ii) interest accrued and outstanding;
 - (iii) an amount equal to an IRR of 25% per annum on the Base Redemption Amount, calculated from the issue date of the Senior Notes to the date of such redemption, taking into account:
 - (a) all interest paid on the Senior Notes prior to or on the date of such redemption; and
 - (b) any warrants return (which is calculated in accordance with a formula specified in the terms and conditions of the Senior Notes) with respect to the Warrants exercised by such Noteholder prior to or on the date of such redemption; and
 - (iv) any other payment accrued and outstanding to the Noteholder.
- Set-off Event Any Noteholder, who holds any Warrants and exercises any Subscription Rights attaching to such Warrants, shall have the right to set off in whole or in part the outstanding principal amount of the Senior Notes held by such Noteholder (“**Set-off Notes**”) in an amount equal to all or part of the subscription price payable for the Warrant Shares upon the exercise of the Subscription Rights attaching to such Warrants in accordance with the terms and conditions set forth in the Warrant Instrument (“**Set-off Event**”). The Set-off Notes shall be deemed to have been redeemed by the Company on the date on which payment is required to be made under the Warrant Instrument in relation to the exercise of such Subscription Rights. As the Set-off Event only relates to the principal amounts of the relevant Senior Notes outstanding, the Company shall be liable and pay to the Noteholder all interest accrued (but not paid) on the Set-off Notes up to and including the date on which the Set-off Notes are deemed to have been redeemed by the Company.

LETTER FROM THE BOARD

Voluntary Redemption

The Senior Notes may be redeemed in whole or in part by the Company at any time after six (6) months from the date of issue of the Senior Notes and from time to time prior to the Maturity Date at an aggregate redemption price equal to the principal amount of the Senior Notes to be reduced by such redemption and the interest payable, by giving not less than three (3) months' notice to the Noteholder, provided that:

- (a) each partial redemption shall be in total principal amount of US\$10,000,000 or multiple integrals thereof;
- (b) the principal amount of the Senior Notes held by each Noteholder shall be redeemed on a pro-rata basis;
- (c) interest on the principal amount of the Senior Notes to be redeemed in the following reference periods shall become immediately due and payable on the date of such early redemption:

Reference Period

any date falling within the period from the day immediately after the sixth (6th) month from the issue date of the Senior Notes up to (and including) the last day of the twelfth (12th) month from the issue date of the Senior Notes

Interest due and payable

an aggregate amount of:

- (a) interest at a rate of 11% per annum accruing from (and including) the last interest payment date immediately prior to the date of early redemption and ending on the date of such early redemption; and
- (b) additional interest at a rate of 11% per annum for 60 days

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any date falling within the period from the day immediately after the twelfth (12th) month from the issue date of the Senior Notes up to (and including) the last day of the twenty-fourth (24th) month from the issue date of the Senior Notes

an aggregate amount of:

- (a) interest at a rate of 11% per annum accruing from (and including) the last interest payment date immediately prior to the date of early redemption and ending on the date of such early redemption; and
- (b) additional interest at a rate of 11% per annum for 30 days

any date falling within the period from the day immediately after the twenty-fourth (24th) month from the issue date of the Senior Notes up to but excluding the Maturity Date

interest at a rate of 11% per annum accruing from (and including) the last interest payment date immediately prior to the date of early redemption and ending on the date of such early redemption

Conditions precedent:

The creation and issue of the First Tranche Notes are conditional upon the satisfaction of various conditions precedent on or before the First Closing Date, which include, amongst other conditions:

- (i) the 2013 Indebtedness (including the 2013 Note Indebtedness but excluding the 2013 Warrants Indebtedness) have been repaid or settled in full and there is no outstanding amount payable by any 2013 Obligor to the registered holders of the outstanding 2013 Notes as at the date of the Note Purchase Agreement under the 2013 Notes, and the 2013 Notes have been cancelled by the Company in full;

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- (ii) all obligations and liabilities of the 2013 Obligors under the 2013 Transaction Documents have been discharged, repaid, settled in full and all 2013 Transaction Documents have ceased to be effective or have otherwise been terminated (except the 2013 Warrant Instrument and 2013 Warrant Certificates, which will cease to be effective upon the full redemption of the 2013 Warrants pursuant to the 2013 Warrant Instrument);
- (iii) the Controlling Shareholder shall have deposited not less than 600,000,000 Shares in Listco Shares Account;
- (iv) the Company shall have opened the Company Account and the Reserve Account in accordance with the terms and conditions of the Note Purchase Agreement;
- (v) the current listing of the Shares on the Stock Exchange shall not have been cancelled or withdrawn, the Shares shall have continued to be traded on the Stock Exchange at all times from the date hereof to and including the First Closing Date (save for any temporary suspension for not more than three (3) consecutive Business Days or pending clearance of any announcement(s) to be published by the Company under the Listing Rules regarding the transactions contemplated by the Transaction Documents) and the First Tranche Investors shall have been satisfied that neither the Stock Exchange nor the SFC 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 are existing 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);
- (vi) all requirements, if any, imposed by the Stock Exchange, in connection with the contemplated transactions under the Transaction Documents (other than the issue of Warrants), shall have been complied with in full;

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- (vii) the warranties of the Warrantors under the Note Purchase Agreement shall be true, correct, accurate, complete and not misleading when made and shall continue to be true, correct, accurate, complete and not misleading up to the First Closing Date with the same force and effect as if they had been repeated throughout the period between the signing hereof and the First Closing Date and on and as of the First Closing Date, or as of another date if any representations and warranties are made with respect to such other date;
- (viii) the First Tranche Investors shall have been satisfied with the results of their commercial, financial and legal due diligence on the Group; and
- (ix) all conditions precedent under the Transaction Documents other than the Note Purchase Agreement shall have been satisfied or waived in accordance with the terms thereof.

In the event that any of the conditions precedent are not fulfilled or waived on or before the First Closing Long Stop Date, save as otherwise provided in the Note Purchase Agreement, any First Tranche Investor participating in the First Closing may (without prejudice to the rights of the other First Tranche Investor), amongst other rights, terminate the Note Purchase Agreement provided that if the other First Tranche Investor proceeds with the First Closing in accordance with the terms of the Note Purchase Agreement, the Note Purchase Agreement shall not be terminated, provided that the First Tranche Investor who intends to terminate the Note Purchase Agreement shall not be forced to proceed with any Closing.

The First Closing took place on 4 August 2016.

LETTER FROM THE BOARD

Additional conditions precedent specific to the creation and issue of the Second Tranche Notes on or before the Second Closing Date pursuant to the Note Purchase Agreement include, amongst other conditions:

- (i) the First Closing having taken place upon the terms and subject to the conditions of the Note Purchase Agreement;
- (ii) the 2014 Indebtedness (including the 2014 Note Indebtedness but excluding the 2014 Warrant Indebtedness) have been repaid or settled in full and there is no outstanding amount payable by any 2014 Obligor to the registered holders of the outstanding 2014 Notes as at the date of the Note Purchase Agreement under the 2014 Notes, and the 2014 Notes have been cancelled by the Company in full;
- (iii) all obligations and liabilities of the 2014 Obligors under the 2014 Transaction Documents have been discharged, repaid, settled in full and all 2014 Transaction Documents have ceased to be effective or have otherwise been terminated (except for the warrant instrument(s) relating to the 2014 Warrants and the related warrant certificates); and
- (iv) the Controlling Shareholder shall have transferred certain additional Shares into the Listco Shares Account to the effect that Listco Shares Account shall have a final balance of at least 1,262,000,000 Shares.

In the event that any of the conditions precedent are not fulfilled or waived on or before the Second Closing Long Stop Date, save as otherwise provided in the Note Purchase Agreement, any Second Tranche Investor participating in the Second Closing may (without prejudice to the rights of the other Second Tranche Investor(s)) may elect not to proceed to the Second Closing.

LETTER FROM THE BOARD

Additional conditions precedent specific to the creation and issue of the Third Tranche Notes on or before the Third Closing Date pursuant to the Note Purchase Agreement include:

- (i) The First Closing, the Second Closing and the Warrant Closing in respect of each of the First Tranche Warrants and the Second Tranche Warrants shall have taken place upon the terms and subject to the conditions of the Note Purchase Agreement;
- (ii) the Controlling Shareholder shall have transferred additional Shares into the Listco Shares Account to the effect that Listco Shares Account shall have a final balance of at least 2,542,000,000 Shares;
- (iii) the Controlling Shareholder shall have procured that at least such number of Shares (“**Top-up Shares**”) be credited to the Listco Shares Account, to be calculated in the following manner:

$$\text{Number of Top-up Shares} = A \times 6.2$$

where:

A = the total aggregate principal amount of the Third Tranche Notes subscribed by all Third Tranche Investors as set out in the Deeds of Adherence executed by such Third Tranche Investors.

Listco Shares Account shall have a final balance of at least the aggregate of 2,542,000,000 Shares plus the Top-up Shares, and each Investor shall have received a statement of account in relation to Listco Shares Account which reflects such final balance; and

- (iv) ABCI Capital Limited shall have provided a written consent to the Company for the issue of the Third Tranche Notes.

In the event that any of the conditions precedent are not fulfilled or waived on or before the Third Closing Long Stop Date, save as otherwise provided in the Note Purchase Agreement, none of the Third Tranche Investors shall be obliged to proceed with the Third Closing.

LETTER FROM THE BOARD

Specific performance obligations of the Controlling Shareholder and the Ultimate Shareholders:	<p>It is an event of default under the conditions of the Senior Notes, if, amongst others:</p> <ul style="list-style-type: none">(i) the Controlling Shareholder ceases to beneficially own at least 2,000,000,000 Shares;(ii) the Controlling Shareholder ceases to (i) control the Company, or (ii) beneficially own at least 51% of the total issued share capital of the Company on a fully-diluted basis;(iii) the Ultimate Shareholders cease to (i) control the Company, or (ii) effectively and beneficially own in aggregate at least 51% of the total issued share capital of the Company on a fully-diluted basis;(iv) the Ultimate Shareholders cease to (i) control the Controlling Shareholder, or (ii) legally and beneficially own in aggregate at least 70% of the total issued share capital of the Controlling Shareholder on a fully-diluted basis; and(v) any of the Ultimate Shareholders ceases to be a Director.
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Upon the occurrence of an event of default, the Senior Notes shall become immediately due and repayable in accordance with the conditions of the Senior Notes.

Closing:	<p>The consummation of the issue and purchase of the First Tranche Notes, the Second Tranche Notes and the Third Tranche Notes respectively shall be conducted on a date no later than three (3) Business Days after the fulfilment or waiver, by such Investor (as the case may be) of the conditions precedent as set out above.</p>
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The First Closing took place on 4 August 2016.

Listing:	<p>No application will be made for a listing of the Senior Notes on the Stock Exchange or any stock exchange.</p>
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LETTER FROM THE BOARD

Use of proceeds:

As stipulated in the Note Purchase Agreement, the Company shall use the proceeds from the issue of the Senior Notes in the following manner:

- (i) to use the full amount of the proceeds received from the issue of the First Tranche Notes to partially repay the principal amount of debt (to the extent such principal amount has not been set-off or settled as contemplated under the Note Purchase Agreement) payable to the 2013 Creditors in relation to the 2013 Indebtedness;
- (ii) to use US\$200,000,000 of the proceeds received from the issue of the Second Tranche Notes to repay in full the principal amount of debt (to the extent such principal amount has not been set-off or settled as contemplated under the Note Purchase Agreement) payable to 2014 Creditors in relation to the 2014 Indebtedness, such amount shall be paid to the Repayment Accounts pursuant to the Fund Payment Instruction;
- (iii) to use US\$5,000,000 of the proceeds received from the issue of the Second Tranche Notes to repay the indebtedness (other than the 2014 Note Indebtedness) owed by the Company to one of the Investors;
- (iv) to use US\$15,000,000 of the proceeds received from the issue of the Second Tranche Notes as the general working capital of the Company, and for financing the costs of the Group's construction projects, such amount shall be paid to the Company Account, provided that such Proceeds shall not be used for (i) the subscription or acquisition of any shares or securities of any company listed on any stock exchange; or (ii) the acquisition of any assets, properties or undertakings from the Controlling Shareholder and/or any of its affiliates, and
- (v) to use the full amount of the proceeds received from the issue of the Third Tranche Notes for the general working capital of the Company and for financing the costs of the Group's construction projects, such amount shall be paid to the Company Account, provided that such proceeds shall not be used for (i) the subscription or acquisition of any shares or securities of any company listed on any stock exchange; or (ii) the acquisition of any assets, properties or undertakings from the Controlling Shareholder and/or any of its affiliates.

LETTER FROM THE BOARD

THE WARRANTS

As part and parcel of the issue of the Senior Notes, the Warrants will be issued pursuant to the Specific Mandate to the Investors on the Warrant Closing Date representing an amount of exercise moneys as set out below:

First Tranche Warrants

Exercise moneys of US\$28,500,000 (equivalent to HK\$222,300,000) will be issued to the First Tranche Investors, among which, exercise moneys of US\$22,500,000 will be issued to Blooming Rose, exercise moneys of US\$4,500,000 will be issued to Heroic Day and exercise moneys of US\$1,500,000 will be issued to SPDBI.

Second Tranche Warrants

Exercise moneys of up to US\$33,000,000 (equivalent to HK\$257,400,000) will be issued to the Second Tranche Investors, among which, exercise moneys of up to US\$15,000,000 will be issued to Blooming Rose, exercise moneys of up to US\$10,500,000 will be issued to Heroic Day and exercise moneys of up to US\$7,500,000 will be issued to the remaining Second Tranche Investors to be identified by the Company (if any).

Third Tranche Warrants

Exercise moneys of up to US\$13,500,000 (equivalent to HK\$105,300,000) will be issued to the Third Tranche Investors

No additional monetary consideration is required to be paid by the Investors to the Company for the issue of the Warrants.

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

Exercise period:	The period commencing on the date of the issue of the Warrants and ending at 5:00 p.m. (Hong Kong time) on the Termination Date, being the earliest of (i) the date on which all Subscription Rights in respect of such Warrants have been exercised in full, (ii) the De-listing Early Redemption Date, and (iii) the date falling 36 months from the issue date of such Warrant
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The Company will ensure compliance with the requirements under Rule 15.02(2) of the Listing Rules at all times that the issue of the Warrants should, among other things, expire not less than one and not more than five years from the date of issue to ensure that the events of default as set out in subparagraphs (xi) to (xiii) under the paragraph headed “The Note Purchase Agreement — The Senior Notes — Events of Default” above shall not occur within one year after the issue of the Warrants. In this regard, within one year after the issue of the Warrants, the Company will not submit any proposal to the Stock Exchange in relation to a proposed cancellation of the admission of the Shares, the Board will not propose any resolution to the Shareholders to delist the Company from the Main Board of the Stock Exchange, and the Company will take all reasonable steps to maintain its listing status.

Strike Price:

The initial Strike Price is HK\$1.9995 (subject to adjustment) per Warrant Share, being 150% of the average closing price of the Shares for the 20 consecutive Trading Days prior to the date of the Note Purchase Agreement.

The Warrantholders are entitled to subscribe for the Warrant Shares of up to an aggregate amount of US\$75,000,000 (equivalent to HK\$585,000,000) at the Strike Price.

The initial Strike Price of HK\$1.9995 per Warrant Share represents:

- (i) a premium of approximately 45.95% over the closing price per Share of HK\$1.37 as quoted on the Stock Exchange on 3 August 2016, being the date of the Note Purchase Agreement;
- (ii) a premium of approximately 47.02% over the average of the closing prices of the Shares as quoted on the Stock Exchange during the 5-Trading Day period ended on 2 August 2016, being HK\$1.36 per Shares;
- (iii) a premium of approximately 49.44% over the average of the closing prices of the Shares as quoted on the Stock Exchange during the 10-Trading Day period ended on 2 August 2016, being HK\$1.338 per Share; and
- (iv) a premium of approximately 51.48% over the closing price per Share of HK\$1.32 as quoted on the Stock Exchange on the Latest Practicable Date.

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- Proceeds:
- The subscription money payable by a Warrantholder, upon the exercise of the Subscription Rights, may be satisfied in the following manner at the Warrantholder's election:
- (i) by setting off the outstanding principal amount of any Senior Notes held by such Warrantholder in its capacity as Noteholder against the exercise moneys equal to the aggregate subscription price, or
 - (ii) by payment in cash to such bank account as designated by the Company as notified in writing to the Warranholders three (3) Business Days in advance, or
 - (iii) by a combination of payment in cash and by way of set-off as set forth in the foregoing (i) and (ii), or
 - (iv) by such other method of payment as the Company and such Warrantholder may reasonably agree.

Assuming Warrants representing exercise moneys of US\$75,000,000 are issued and all exercise moneys of the Subscription Rights will be settled by the Warranholders to the Company in cash, the Company will receive gross proceeds of approximately HK\$585 million, and the net proceeds of approximately HK\$583 million, in this regard. The Company currently intends to apply such proceeds to repay the Senior Notes.

Assuming the full exercise of the Subscription Rights, the net price to the Company of each Warrant Share, which is calculated by dividing the aggregate net proceeds from the issue of the Warrant Shares and the exercise of the Subscription Rights by the Warranholders by the total number of the Warrant Shares, is approximately HK\$1.9927.

- Adjustment to Strike Price:
- The Strike Price shall be adjusted as set out in the terms and conditions of the Warrants if and whenever:
- (i) the Shares, by reason of any consolidation or subdivision, become of a different nominal amount;
 - (ii) the Company issues any Shares credited as fully paid by way of capitalisation of profits or reserves;

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- (iii) the Company makes any distributions in cash or specie to Shareholders (whether on a reduction of capital or otherwise) or shall grant to such holders rights to acquire for cash assets of the Company or any of its subsidiaries;
- (iv) the Company offers to Shareholders new Shares for subscription by way of rights, or grants to Shareholders any rights to subscribe for new Shares, at a price per new Share which is less than 95% of the Market Price at the date of the announcement of the terms of the offer or grant;
- (v) the Company or any other company issues wholly for cash any securities which by their terms are convertible into or exchangeable for or carry rights to acquire or subscribe for new Shares and the total effective consideration (i.e. consideration being paid for such new Shares by the Company on acquisition of the relevant asset without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof) per new Share initially receivable for such securities is less than 95% of the Market Price at the date of the announcement of the terms of issue of such securities;
- (vi) the Company issues wholly for cash any new Shares (other than pursuant to a rights issue) at a price per Share which is less than 95% of the Market Price at the date of the announcement of the terms of such issue;
- (vii) the Company purchases any Shares or securities convertible into Shares or any rights to acquire Shares (other than on the Stock Exchange or any other stock exchange recognised for such purpose) and the Directors cancel such Shares, securities convertible into Shares or rights to acquire Shares;
- (viii) the Company issues any Shares for the acquisition of any asset at the total effective consideration (i.e. consideration being paid for such new Shares by the Company on acquisition of the relevant asset without any deduction of any commissions, discounts or expenses paid, allowed or incurred in connection with the issue thereof) per new Share which is less than 95% of the Market Price at the date of the announcement of the terms of such issue.

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No adjustment to the Strike Price shall be made to (i) an issue of fully paid Shares upon the exercise of any conversion rights attached to securities convertible into or exchangeable for Shares or upon exercise of any rights to acquire or subscribe for Shares provided that an adjustment has been made in respect of the issue of such securities or granting of such rights (as the case may be); (ii) any issue of Shares pursuant to the exercise of the Subscription Rights; (iii) the grant of any option or Shares under the Share Incentive Scheme or an issue of Shares pursuant to the exercise of the said option(s) and; (iv) the issue of Shares upon the exercise of any subscription rights in relation to the 2014 Warrants.

No adjustment to the Strike Price shall be made if such adjustment will result in issuing a Warrant Share at a discount to the then par value of a Share and the adjusted Strike Price shall then be set at the then par value of a Share.

Warrant Shares:

As at the Latest Practicable Date, the Company has a total of 4,818,312,935 Shares in issue. Assuming Warrants representing exercise moneys of US\$75,000,000 (equivalent to HK\$585,000,000) are issued, the Subscription Rights attaching to the Warrants, if exercised in full, will entitle the holders thereof to subscribe for up to 292,573,143 Shares (of an aggregate nominal value of HK\$29,257,314.30) at the initial Strike Price of HK\$1.9995. Such Shares represent approximately 6.07% of the Shares in issue as at the Latest Practicable Date. Assuming there is no change in the issued share capital of the Company from the Latest Practicable Date to the exercise of the Subscription Rights in full, such 292,573,143 Warrant Shares represent approximately 5.72% of the issued share capital as enlarged by the issue of such Warrant Shares.

Ranking:

The Warrant Shares, when allotted and issued, will rank pari passu with the existing issued Shares as at the date of allotment.

Listing:

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares. No application for the listing of the Warrants has been or will be made.

Conditions precedent:

The issue of the Warrants by the Company is subject to the fulfilment of each of the following conditions (none of which may be waived) on or before the respective long stop date for each respective Warrant Closing, being 14 October 2016, which include, amongst other conditions:

LETTER FROM THE BOARD

- (i) the relevant Note Closing having taken place upon the terms and subject to the conditions of the Note Purchase Agreement;
- (ii) the Shareholders having granted the Specific Mandate to the Board and such Specific Mandate remains valid, fully effective and has not been revoked;
- (iii) the Company having delivered to the Investors a copy certified as true by a Director or the company secretary of the Company of the resolution of the Company passed at the SGM approving the terms of the Warrant Instrument, the transactions contemplated thereunder, and the allotment and issue of all Warrant Shares issuable by the Company upon a full exercise of the Subscription Rights, and such resolution has not been subsequently amended or revoked; and
- (iv) the Company shall have delivered to the Investors a certified true copy of the approval of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares (either unconditionally or subject only to the conditions to which neither the Company nor the majority Investors (i.e. Majority First Tranche Investors at any time prior to or at the First Closing, and one or more Investors who has solely or in aggregate, subscribed or agreed to subscribe for 85% or more of the principal amount of the Senior Notes at any time after the First Closing) may reasonably object).

As at the Latest Practicable Date, save for the First Closing which took place on 4 August 2016, none of the above conditions have been fulfilled.

Transfer:

The Warrants are freely transferable to any Person in whole or in part (in multiples of US\$1,000,000) of the total exercise moneys, and no consent of the Company is required for any transfer of the Warrants to any Person, provided that no transfers shall be made to a connected person of the Company.

LETTER FROM THE BOARD

Rights of Warranholders to participate in distributions and offer of further securities made by the Company:

In the event the record date for entitlement to any dividend and other distribution of the Company falls on or after a Warranholder has lodged a notice to exercise its Subscription Rights in accordance with the Warrant Instrument but before the date on which the Warrant Shares are allotted and issued to such Warranholder in accordance with the Warrant Instrument, the Company shall pay to such Warranholder such dividend or distribution in respect of the Warrant Shares issuable to the Warranholder under such notice of exercise as if the Warrant Shares had been held by such Warranholder on the relevant record date.

Rights of Warranholders in winding-up:

If an effective resolution is passed on or before the Termination Date for the voluntary winding up of the Company, then

- (a) if such winding up is for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement in conjunction with which a proposal is made to the Warranholders and is approved by the Warranholders holding Warrants which represent in aggregate not less than seventy-five per cent. (75%) of the total exercise moneys under all Warrants outstanding at the relevant time (“**Majority Warranholders**”), the terms of such scheme of arrangement or (as the case may be) proposal shall be binding on all the Warranholders; and
- (b) subject to the foregoing, if the Company is wound up, all Subscription Rights which have not been exercised prior to the commencement of the winding-up shall lapse and each Warrant certificate will cease to be valid for the purpose of exercising any Subscription Right. Prior to the implementation of such scheme of arrangement, the Company shall, at the direction of the Majority Warranholders, (i) procure the surviving entity of the amalgamation or reconstruction to issue the Warrants to the Warranholders on such terms satisfactory to the Majority Warranholders or (ii) do such things, make such arrangements, and execute such documents as may be required by the Warranholders for the purpose of (i) above.

The Strike Price set out above was determined based on the arm’s length negotiations between the Company and the First Tranche Investors, taking into account the trading prices of the Shares immediately prior to the date of execution of the Note Purchase Agreement. The Directors consider that the terms of the Senior Notes and the Warrants (including the Strike Price and the mechanism for determining the Strike Price) are on normal commercial terms and are fair and reasonable and in the best interest of the Company and its shareholders as a whole.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, other than the Transaction Documents, there was no other arrangement, agreement or understanding entered or contemplated to be entered by the Controlling Shareholder (including the Ultimate Shareholders) with the Warrantholders (i.e. the Investors) and/or the Security Agent.

As at the Latest Practicable Date, the Company was in preliminary negotiation in relation to a proposed acquisition of a company which owns the land use right to a parcel of land in Guangzhou, the PRC ("**Proposed Acquisition**"). As at the Latest Practicable Date, the Group has not entered into any definitive and/or legally binding agreements or contracts in respect of the Proposed Acquisition. The Proposed Acquisition, if materialise, will constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement will be made by the Company regarding the Proposed Acquisition as and when appropriate in compliance with the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other contemplated acquisitions, disposals or other matters during the exercise period of the Warrants that may have a material effect on the Company which is necessary for the Shareholders and the public to appraise the position of the Company.

SPECIFIC MANDATE TO ISSUE THE WARRANT SHARES

The Warrant Shares will be issued under the Specific Mandate to be sought at the SGM.

APPLICATION FOR LISTING

No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares to be allotted and issued upon the exercise of the Subscription Rights.

REASONS FOR THE ISSUE OF SENIOR NOTES AND WARRANTS

The Group is principally engaged in property development and sales, property investment and property rental and project management in the PRC.

The Board considers that the issue of the Senior Notes and the Warrants represent an opportunity to raise funds for the Company to repay the 2013 Indebtedness and the 2014 Indebtedness and to raise additional funds for financing the costs of the Group's construction projects and to be used as the general working capital of the Company.

FUND RAISING EXERCISE BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activity in the 12 months immediately preceding the Latest Practicable Date.

LETTER FROM THE BOARD

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company had 4,818,312,935 Shares in issue. The shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) immediately after the full exercise of the Subscription Rights (assuming that (aa) Warrants representing exercise moneys of US\$75,000,000 (equivalent to HK\$585,000,000) will be issued; (bb) there will be no further changes in the issued share capital of the Company prior to such exercise; and (cc) there will be no adjustment to the Strike Price) are as follows:

	As at the Latest Practicable Date		Immediately after the full exercise of the Subscription Rights	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Rong De (<i>Note</i>)	3,139,456,533	65.16	3,139,456,533	61.43
Warrantholders	—	—	292,573,143	5.72
Public Shareholders	1,678,856,402	34.84	1,678,856,402	32.85
Total	4,818,312,935	100.00	5,110,886,078	100.00

Note: Rong De is beneficially owned as to 36.00% by Mr. Liao Tengjia, 34.06% by Mr. Chu Hing Tsung and 29.94% by Mr. Chu Muk Chi, each being an executive Director.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The Company has an authorised share capital of HK\$600,000,000 divided into 6,000,000,000 Shares of which 4,818,312,935 Shares were in issue as at the Latest Practicable Date. The Board proposes to increase the authorised share capital of the Company from HK\$600,000,000 divided into 6,000,000,000 Shares to HK\$1,000,000,000 divided into 10,000,000,000 Shares by the creation of an additional 4,000,000,000 new Shares. The new Shares shall rank pari passu with the existing Shares upon issue.

The Board believes that the Increase in Authorised Share Capital provides the Company with greater flexibility to accommodate future issue of new Shares and is in the interest of the Company and the Shareholders as a whole.

Condition of the Increase in Authorised Share Capital

The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the SGM.

LETTER FROM THE BOARD

SGM

The SGM will be held at 3:00 p.m. on Tuesday, 11 October 2016 at 19/F, Zhuguang International Commercial Centre, No. 3 Qingyi Street, Race Course Road, Tianhe District, Guangzhou, the PRC for the Shareholders to consider and, if thought fit, approve (i) the issue of the Warrants and the grant of the Specific Mandate for the allotment and issue of the Warrant Shares; and (ii) the proposed Increase in Authorised Share Capital. In compliance with the Listing Rules, the resolutions will be voted on by way of a poll at the SGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders is required to be abstained from voting at the SGM in respect of the resolutions relating to (i) the issue of the Warrants and the grant of the Specific Mandate for the allotment and issue of the Warrant Shares; and (ii) the proposed Increase in Authorised Share Capital.

Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the opinion that (i) the issue of the Warrants and the allotment and issue of the Warrant Shares; and (ii) the proposed Increase in Authorised Share Capital, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend that all Shareholders should vote in favour of the resolutions proposed at the SGM to approve (i) the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares; and (ii) the proposed Increase in Authorised Share Capital.

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

NOTICE OF SPECIAL GENERAL MEETING



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)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“**Meeting**”) of Zhuguang Holdings Group Company Limited (“**Company**”) will be held at at 3:00 p.m. on Tuesday, 11 October 2016 at 19/F, Zhuguang International Commercial Centre, No. 3 Qingyi Street, Race Course Road, Tianhe District, Guangzhou, the PRC, or at any adjournment thereof for the purpose of considering and, if thought fit, passing the following resolutions, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Warrant Shares (as defined below):
 - (a) the directors of the Company (“**Directors**”) be and are hereby authorised to create and issue warrants (“**Warrants**”) to the Investors (as defined in the circular of the Company dated 23 September 2016 (“**Circular**”), a copy of which has been produced to this meeting marked “A” and initialled by the chairman of this meeting for the purpose of identification) entitling the holders of the Warrants to subscribe in cash up to an aggregate of US\$75,000,000 for new shares of the Company (“**Warrant Shares**”) at the strike price of HK\$1.9995 per Warrant Share (subject to adjustments) and exercisable at any time during the period commencing on the date of the issue of the Warrants and ending at 5:00 p.m. (Hong Kong time) on the Termination Date (as defined in the Circular), on the terms and conditions set out in the Warrant Instrument (as defined in the Circular, the execution copy of which has been produced to this meeting marked “B” and initialled by the chairman of this meeting for the purpose of identification) and the Warrant Instrument be and is hereby approved;
 - (b) the Directors be and are hereby specifically authorised to allot and issue the Warrant Shares in accordance with the terms and conditions set out in the Warrant Instrument; and

* For identification purposes only

NOTICE OF SPECIAL GENERAL MEETING

- (c) the Directors be and are hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deed on behalf of the Company and to do such other things and to take all such actions as they consider necessary, appropriate, desirable or expedient for the purposes of giving effect to or in connection with the Note Purchase Agreement (as defined in the Circular) and all the transactions contemplated thereunder as well as in relation to the issue and allotment of the Warrant Shares and to agree to such variation, amendments or waiver or matters relating thereto (excluding any variation, amendments or waiver of such documents or any terms thereof, which are fundamentally and materially different from those as provided for in the Note Purchase Agreement and which shall be subject to approval of the shareholders of the Company) as are, in the opinion of the Directors or a duly authorised committee of the board of Directors, in the interest of the Company and its shareholders as a whole.”

2. “**THAT:**

- (a) the authorised share capital of the Company be and is hereby increased from HK\$600,000,000 divided into 6,000,000,000 ordinary shares of HK\$0.10 each (“**Shares**”) to HK\$1,000,000,000 divided into 10,000,000,000 Shares by the creation of an additional 4,000,000,000 Shares (“**Increase in Authorised Share Capital**”); and
- (b) the Directors be and are hereby authorised to do all such acts and things and execute all such documents which they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

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

23 September 2016

Registered office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business in Hong Kong:
Room 5702-5703, 57th Floor
Two International Finance Centre
8 Finance Street
Central, Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company.
2. To be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be deposited at the Company's Hong Kong branch share registrar and transfer office, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof (as the case may be). Completion and deposit of the proxy form will not preclude you from attending and voting at the meeting or any adjournment thereof if you so wish, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. For joint registered holders of any shares of the Company, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such shares of the Company as if the shareholder was solely entitled thereto, but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares of the Company shall alone be entitled to vote in respect thereof.
4. As required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the above resolutions will be decided by way of poll.

As at the date of this notice, the board of the Directors comprises Mr. Chu Hing Tsung (alias Mr. Zhu Qing Yi) (Chairman) Mr. Liao Tengjia (Chief Executive Officer), Mr. Huang Jiajue (Deputy Chairman), Mr. Chu Muk Chi (alias Mr. Zhu La Yi) and Ms. Ye Lixia as executive Directors and Mr. Leung Wo Ping JP, Mr. Wong Chi Keung and Dr. Feng Ke as Independent non-executive Directors.