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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)

POSITIVE PROFIT ALERT

This announcement is made by Zhuguang Holdings Group Company Limited ("**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board ("**Board**") of directors ("**Directors**", each a "**Director**") of the Company would like to inform the shareholders of the Company and potential investors that, based on information currently available, the Group is expected to record a substantial increase of not less than HK$600,000,000 in the profit attributable to the owners of the Company for the year ended 31 December 2019 ("**FY2019**"), as compared with that of approximately HK$4,717,000 for the year ended 31 December 2018 ("**FY2018**"), which was mainly attributable to (i) the increase of not less than 40% in revenue during FY2019 (FY2018: approximately HK$2,704,796,000) due to the increase in the revenue generated from the project management services segment as a result of the increase in the number of property development projects and urban redevelopment projects entered into by the Group in FY2019; and (ii) the increase of not less than 35% in the change in fair value of financial assets at fair value through profit or loss recorded in FY2019 from that of approximately HK$459,600,000 recorded in FY2018, mainly attributable to the increase in the fair value of certain project management services agreements as at 31 December 2019 under which the Group agreed to provide funding and management services in relation to property development projects, which were partially offset by (a) the increase of not less than 140% in other expenses recorded in FY2019 (FY2018: approximately HK$172,087,000), resulting mainly from the increase in the impairment loss of financial assets provided for following the assessment of expected credit loss and the foreign exchange losses recorded in FY2019; (b) the increase of

* *For identification purpose only*

not less than 15% in the finance costs incurred by the Group in FY2019 (FY2018: approximately HK$1,248,810,000) mainly due to the increase in the cost of borrowings of the Group in FY2019; and (c) the increase of not less than 30% in the income tax expenses incurred by the Group in FY2019 (FY2018: approximately HK$445,299,000).

The Company is still in the process of preparing its unaudited consolidated results for FY2019. The information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for FY2019 and information currently available to the Company, which have not been audited by the auditor of the Company and may therefore be subject to change. The Group's preliminary results for FY2019 are expected to be announced before the end of March 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Zhuguang Holdings Group Company Limited
珠光控股集團有限公司
Chu Hing Tsung
Chairman

Hong Kong, 27 March 2020

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