Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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)

UPDATES IN RELATION TO THE DISCLAIMER OF OPINION SET OUT IN THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The board ("**Board**") of directors ("**Directors**") of Zhuguang Holdings Group Company Limited ("**Company**", together with its subsidiaries, the "**Group**") would like to provide updates in relation to the disclaimer of opinion set out in its annual report for the year ended 31 December 2025 ("**2025 Annual Report**") published on 15 May 2026 and the update announcement of the Company dated 14 August 2026 in relation to the disclaimer of opinion issued by the Company's auditor on the Group's consolidated financial statements for the year ended 31 December 2025 ("**Update Announcement**"). Unless otherwise specified, capitalised terms used herein shall have the same meaning as defined in the 2025 Annual Report and the Update Announcement.

BACKGROUND

As disclosed in the 2025 Annual Report, the Company's auditor, BDO Limited ("**Auditor**") issued a disclaimer of opinion ("**Disclaimer of Opinion**") on the Group's consolidated financial statements for FY2025 ("**2025 Accounts**") due to scope limitation relating to the appropriateness of the going concern assumption.

The Group recorded a net loss of approximately HK$6,220 million for FY2025 and, as at that date, had net current liabilities and net liabilities of approximately HK$13,611 million and HK$2,937 million, respectively. In addition, as at 31 December 2025, the Group had outstanding interest-bearing bank and other borrowings of approximately HK$15,256 million that are either repayable within 12 months from the end of the reporting period or on demand,

* *For identification purposes only*

while its cash and bank balances amounted to approximately HK$13 million. Included in these bank and other borrowings, substantial of which had not been repaid according to the scheduled repayment dates under the relevant loan agreements. These events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

The Directors were of the opinion that the Group would have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within 12 months from 31 December 2025, and accordingly, they were satisfied that it was appropriate to prepare the 2025 Accounts on a going concern basis, after having reviewed the Group's cash flow forecast prepared by the Group's management which covered a period of at least 17 months from 31 December 2025, and taken into consideration the following plans and measures formulated to mitigate the liquidity pressure of the Group and to improve the cash flows of the Group ("**Plans and Measures**"):

(a) the Group has been proactively communicating with the relevant lenders on the Group's business plan, operations and financial position such that they will not demand for immediate repayment of the Group's borrowings;

(b) the Group is actively discussing with the lenders of certain bank and other borrowings to re-finance its existing borrowings and to obtain additional credit facilities from existing and other lenders as and when needed;

(c) the Group will continue to take measures to monitor the collection of the receivables related to urban redevelopment projects in accordance with the agreed schedules;

(d) the Group will continue its efforts to promote the pre-sales and sales of its properties under development and completed properties held for sale;

(e) the Group will continue to take active measures to collect outstanding sales proceeds and other receivables and control its administrative costs and manage its capital expenditure; and

(f) Rong De has undertaken not to demand repayment of the amounts due from the Group until the Group is in the position to repay the amounts without impairing its financial position, and to provide ongoing financial support to the Group, as and when necessary, for its ongoing operations for the foreseeable future.

The validity of the going concern assumption on which the 2025 Accounts have been prepared depends on the outcome of the Plans and Measures, which are subject to the following material uncertainties.

(1) the continual support from the existing lenders of the Group such that they will not demand immediate repayment of the relevant borrowings;

(2) the successful and timely agreement with the lenders on the extension of the repayment dates of existing borrowings subject to the Group's financial and liquidity position, and the securing of additional credit facilities from existing and other lenders as and when needed;

(3) the successful and timely collection of receivables related to urban redevelopment projects in accordance with the agreed schedules;

(4) the ability of the Group in achieving its plans for the pre-sales and sales of properties under development and completed properties held for sale, which are highly sensitive to the sentiment in the local real estate market and buyer confidence in the areas where the Group's principal property projects are situated; and

(5) the financial capability of Rong De to honour its undertaking not to demand repayment of amounts due from the Group and to provide adequate and timely financial support to the Group when required.

AUDITOR'S CONCERN AND VIEWS OF MANAGEMENT AND THE AUDIT COMMITTEE

The Company was unable to provide sufficient appropriate audit evidence to the Auditor, as at the date of the approval of the 2025 Accounts:

The appropriateness of the preparation of the consolidated financial statements on a going concern basis is largely dependent on the successful implementation of the above Plans and Measures. In respect of the financial support from the Company's ultimate holding company, the ultimate holding company has not made available to the Auditor the supporting documents or other evidence that they considered necessary to evaluate its financial position and financial viability, and hence its ability to provide the aforesaid financial support to the Group. As a result, the Auditor was unable to obtain sufficient appropriate audit evidence that they considered necessary to evaluate the feasibility of the successful implementation of the Group's plans and measures. There were no other alternative procedures that the Auditor could perform to satisfy themselves as to the appropriateness of the Directors' use of the going concern basis of accounting in preparing the 2025 Accounts.

In the absence of sufficient appropriate audit evidence of the above, the Auditor was unable to ascertain whether the use of the going concern assumption in the preparation of the 2025 Accounts was appropriate.

The Audit Committee has discussed the above audit opinion modification with the Group's management and the Directors, and agreed with their position and basis (including the matters involving their substantial judgements). In particular, on the basis that:

(a) the Group has been and is still actively communicating with the relevant lenders on its business plan, operations and financial position, and discussing with the lenders of certain of its bank and other borrowings on the re-financing of the existing borrowings;

(b) during the period from 31 December 2025 to the date of approval of the 2025 Accounts, the Group has received sales proceeds from the sales of its properties in accordance with the signed sales contracts;

(c) the Group has put its efforts to promote the pre-sales and sales of its properties under development and completed properties held for sale;

(d) the Group has monitored the collection of the sales proceeds and control its administrative costs and capital expenditure;

(e) Rong De has not demanded repayment of the amounts due from the Group; and

(f) up to the date of approval of the 2025 Accounts, neither the Company nor any of its operating subsidiaries was the subject of any winding-up proceedings.

REMEDIAL MEASURES AND ACTION PLANS

To improve the Group's liquidity and financial position, the Group has been actively implementing the Plans and Measures:

(a) the Group has been proactively communicating with the relevant lenders on the Group's business plan, operations and financial position such that they will not demand for immediate repayment of the Group's borrowings;

(b) the Group has been actively discussing with the lenders of certain bank and other borrowings to re-finance its existing borrowings and to obtain additional credit facilities from existing and other lenders as and when needed;

(c) the Group will continue to take measures to monitor the collection of the receivables related to urban redevelopment projects in accordance with the agreed schedules;

(d) the Group will continue its efforts to promote the pre-sales and sales of its properties under development and completed properties held for sale;

(e) the Group will continue to take active measures to collect outstanding sales proceeds and other receivables and control its administrative costs and manage its capital expenditure; and

(f) Rong De has undertaken not to demand repayment of the amounts due from the Group until the Group is in the position to repay the amounts without impairing its financial position, and to provide ongoing financial support to the Group, as and when necessary, for its ongoing operations for the foreseeable future.

The Directors are of the view that upon the successful implementation of the above Plans and Measures in full, the liquidity of the Group will be improved and the Auditor's concern on the going concern assumption could be addressed. As at the date of this announcement, there is no material change to the remedial measures and action plans previously disclosed.

IMPLEMENTATION PROGRESS ON MEASURES AND ACTION PLANS

The Group wishes to provide an update on the steps taken by the Group to implement the Plans and Measures since the date of publication of the Updated Announcement (i.e. 14 August 2026) and up to the date of this announcement:

(1) Details of the Group's outstanding borrowings

The 2025 Annual Report disclosed that, as at 31 December 2025, the Group's audited total outstanding borrowings amounted to approximately HK$15,259 million, of which borrowings included in non-current liabilities amounted to approximately HK$3 million and borrowings included in current liabilities amounted to approximately HK$15,256 million.

The Group has been proactively communicating with its lenders regarding outstanding loans on the Group's business plan, operations and financial position such that they will not demand immediate repayment of the Group's borrowings, and as at the date of this announcement, except one of the holders of the 2022 Senior Notes, no other lenders have demanded immediate repayment of the outstanding loans from the Group or given indication to the Group that they would commence legal proceedings against the Group.

Below are the updates on the Group's outstanding borrowings:

(i) One of the holders of the 2022 Senior Note has issued the statutory demand letter dated 4 November 2026 to the Company, and following the discussion with all of the holders of the 2022 Senior Notes, they will not demand repayment of the respective overdue balances upon the completion of the debt restructuring; the Group tentatively schedules and pursues to complete the debt restructuring by 31 December 2026;

(ii) the Group has been and is discussing with the lenders of the bank and other borrowings of the Group in the PRC which the Group fails to repay on the maturity dates, the refinancing of approximately HK$9,336 million; the Group tentatively schedules and pursues to obtain their approvals by 31 December 2026; and

(iii) in relation to the Group's outstanding borrowings of approximately HK$5,097 million with original maturity date(s) over one year from 31 December 2025 which have been reclassified to current liabilities, the Group will pursue to obtain the approvals of the relevant creditors for extension of the relevant maturity dates.

(2) Collection of trade and other receivables from urban redevelopment projects

The Group will continue to take measures to monitor the collection of the receivables related to urban redevelopment projects in accordance with the agreed schedules. In this regard, the Group pursues to collect approximately RMB1,995 million from the receivables related to urban redevelopment projects by 31 December 2026 or a later date to be agreed mutually. In addition, having actively followed up with the debtors, the Group has collected outstanding sales proceeds and other receivables of approximately HK$50 million in aggregate. The Group has stepped up efforts to collect the outstanding receivables by initiating discussions with debtors on repayment plans and agreeing new feasible repayment schedules. In particular, the Group has issued certain payment reminders to certain debtors in the third quarter of 2026 accordingly.

(3) Accelerating pre-sales and sales of properties

Despite the persisting slowdown in the real estate market in the PRC and weakened market competitiveness due to delays in mortgage releases by banks and sale contract signings, the Group continued to accelerate the pre-sales and sales of its properties under development and completed properties and generated proceeds of approximately HK$84 million, based on available information.

(4) Implementing cost control measures

The Group has been implementing a cost reduction exercise to control its administrative costs and minimise the capital commitment on its capital expenditure to maintain business operations. As at the date of this announcement, the Group has recorded a decrease in administrative expenses of approximately 6% as compared with the respective period in FY2025.

(5) Continuous support from ultimate holding company

The Group has secured support from Rong De, the Company's ultimate holding company, which has expressed its willingness to, among other things, (i) continue its financial support to the Group for a period of not less than twelve months from 15 May 2026 to maintain its operations; and (ii) as and when necessary, provide adequate funds for the Group to meet its liabilities as and when they fall due and not to demand repayments of any amount due within twelve months after 31 December 2025 and until the Group is in the position to do so without impairing its financial position.

ASSESSMENT OF THE PLANS AND MEASURES BY THE BOARD

The Board has conducted a detailed review of the Group's ongoing action plan, and evaluated the progress made to date and the validity of the core assumptions underlying the Company's going concern assessment.

Upon the full and successful implementation of the Plans and Measures, the Group's liquidity and financial position will improve, thereby alleviating the Group's going concern issues. The Board will continue to monitor the implementation of the Plans and Measures.

DETAILED WORKS PERFORMED BY THE AUDIT COMMITTEE

(1) Discussions between the Audit Committee and management and progress monitoring

During the period from January 2026 to the date of this announcement, the Audit Committee continuously monitored the implementation progress of the Group's various plans through regular meetings and ad hoc thematic meetings. The Audit Committee has (i) discussed with management the basis of the projected contracted sales, sales collection schedules and expected timing of cash receipts; (ii) examined the cost control measures implemented, including workforce streamlining and the resulting reduction in administrative expenses; and (iii) reviewed the repayment schedules of outstanding borrowings.

(2) Assessment on the adequacy and effectiveness of the Plans and Measures

The Audit Committee concurs with the view of the Board, and is satisfied that the management has been taking appropriate steps to address the matters giving rise to the Disclaimer of Opinion, taking into account that upon the successful implementation of the relevant Plans and Measures mentioned above in full, the liquidity of the Group will be improved, notwithstanding that the Audit Committee is of the view that the management shall expedite the progress of the implementation of the Plans and Measures.

The Group will continue to implement the Plans and Measures and exhaust all other means available to resolve the uncertainties relating to the going concern assumption underlying the Disclaimer of Opinion and will publish further announcement(s) as and when appropriate.

The information contained in this announcement is based solely on a preliminary assessment of the unaudited consolidated management accounts of the Group and relevant estimates made available to the Board, which have not been audited or reviewed by the Company's auditors.

The Company will publish further announcements for updates regarding the Plans and Measures as and when appropriate in accordance with the Listing Rules.

Shareholders and potential investors should 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, 18 November 2026

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. Liao Tengjia (Deputy Chairman), Mr. Huang Jiajue (Deputy Chairman), Mr. Chu Muk Chi (alias Mr. Zhu La Yi), Ms. Ye Lixia and Mr. Zhu Minhui, and (ii) three independent non-executive Directors, namely Mr. Leung Wo Ping JP, Mr. Wong Chi Keung and Ms. Huang Xiaoling.

This announcement is published on the website of the Company (www.zhuguang.com.hk) and the designated issuer website of the Stock Exchange (www.hkexnews.hk).