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華夏文化科技集團
CA CULTURAL TECHNOLOGY GROUP

CA CULTURAL TECHNOLOGY GROUP LIMITED

華夏文化科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01566)

AMENDMENTS TO TERMS OF 7.5% SECURED GUARANTEED NOTES

INTRODUCTION

References are made to the respective announcements of CA Cultural Technology Group Limited (the “**Company**”) dated 22 September 2017, 27 September 2017, 23 January 2019 and 24 January 2020 (the “**Announcements**”) in relation to the issuance of the 7.5% secured guaranteed notes in the aggregate principal amount up to HK\$300,000,000 (the “**Notes**”). Capitalised terms used herein shall have the same meanings as those defined in the Announcements unless otherwise stated.

As at the date of this announcement, only the First Note in the principal amount of HK\$200,000,000 has been issued by the Company to the Subscriber and the remaining balance thereof is HK\$80,000,000 (the “**Remaining Balance**”), and HK\$20,000,000 in principal amount for the First Note has been repaid since the last announcement in relation to the Notes made on 24 January 2020. The First Note was amended by a supplemental deed (the “**1st Supplemental Deed**”) which was entered into on 23 January 2019, and it was further amended by another supplemental deed (the “**2nd Supplemental Deed**”), which was entered into on 24 January 2020.

Recently, the Company has sought and obtained the approval of the Subscriber, being the sole holder of the First Note, to amend certain terms and conditions of the First Note (the “**Amendments**”). The Company, the Chargor, Newgate, the Subscriber and the Personal Guarantor entered into a further supplemental deed to the Subscription Agreement, the 1st Supplemental Deed and the 2nd Supplemental Deed (the “**3rd Supplemental Deed**”) to effect the Amendments with effect from the first business day after the date upon which all conditions precedents (the “**Conditions Precedent**”) set forth in the section headed “**CONDITIONS PRECEDENT TO THE AMENDMENTS**” below have been satisfied or waived by the Subscriber, which is 13 January 2021 (the “**Effective Date**”).

THE AMENDMENTS

Pursuant to the 3rd Supplemental Deed, subject to the satisfaction and/or waiver of the Conditions Precedent, among other amendments, the terms and conditions of the First Note will be amended such that:

1. the maturity date of the First Note will be extended to 25 September 2021 (the “**Maturity Date**”);
2. the Remaining Balance will bear interest from and including 27 September 2020 to the Maturity Date at the rate of 8.5% per annum; and
3. each of the Company and the Subscriber may, after 26 March 2021, without the prior consent of the other party, redeem the Remaining Balance in whole or in part, before the Maturity Date, by serving a written notice to such other party at least five Business Days before the intended redemption date.

CONDITIONS PRECEDENT TO THE AMENDMENTS

The effectiveness of the Amendments shall be conditional upon:

- (i) the Subscriber having obtained and performed all necessary external, internal and corporate approvals and checks under all applicable Laws regarding the transactional documents in connection to the Amendments, including, amongst others, the 3rd Supplemental Deed, and such approvals aforesaid remaining valid and having not been revoked as at the Effective Date;
- (ii) the Company having paid to the Subscriber, and the Subscriber having received HK\$800,000.00, being 1% of the Remaining Balance;
- (iii) the representations and warranties in the Subscription Agreement (as amended by the 1st Supplemental Deed, 2nd Supplemental Deed and 3rd Supplemental Deed) remaining true, accurate and not misleading in each case in accordance with their terms;
- (iv) since the date of the 3rd Supplemental Deed, there having been, in the opinion of the Subscriber, no material adverse change (as defined in the Subscription Agreement);
- (v) receipt by the Subscriber of various documents including, amongst others, certified true copy of the updated register of the noteholders of the Issuer, the resolutions of the Company, the Chargor and Newgate approving the Amendments and legal opinions issued by the Subscriber’s legal advisers in relation to Hong Kong, the Cayman Islands and the British Virgin Islands laws; and
- (vi) receipt by the legal advisers of the Subscriber of the fees and disbursements for the preparation and execution of the 3rd Supplemental Deed and the relevant transaction documents.

REASONS FOR THE AMENDMENTS

The Directors consider that the Amendments are in the interest of the Company and the Shareholders as a whole as the extension of the maturity date of the First Note will provide more financial flexibility to the Company during the extended period during which the Company may utilize its resources for further business development and business opportunities.

Save for the Amendments, all other principal terms of the Subscription Agreement and the terms and conditions of the Notes as disclosed in the Announcements remain unchanged.

By order of the Board
CA CULTURAL TECHNOLOGY GROUP LIMITED
CHONG Heung Chung Jason
Chairman and Executive Director

Hong Kong, 13 January 2021

As of the date of this announcement, the executive Directors are Mr. Chong Heung Chung Jason, Mr. Ting Ka Fai Jeffrey and Ms. Liu Moxiang, and the independent non-executive Directors are Mr. Ni Zhenliang, Mr. Tsang Wah Kwong and Mr. Hung Muk Ming.