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太 睿 國 際 控 股 有 限 公 司

PacRay International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 1010)

ANNOUNCEMENT

This announcement is made by PacRay International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

SHAREHOLDER LOAN

The board (the “**Board**”) of directors (the “**Directors**”) of the Company announced that on 13 May 2021, the Company obtained a loan of HK\$100,000,000 (the “**Shareholder Loan**”) from Zhongying Int’l Holding Group Limited (“**Zhongying Int’l**”), a controlling shareholder of the Company. The term of the Shareholder Loan is one year, provided that both parties can negotiate for an extension of one year, or such other date as the parties may agree. The Shareholder Loan is interest-free with no default interest, and requires no collateral. The Company may choose to repay all or part of the Shareholder Loan in advance. However, Zhongying Int’l shall not require the Company to repay all or part of the Shareholder Loan in advance before the maturity date.

REASONS FOR AND BENEFITS OF OBTAINING THE SHAREHOLDER LOAN

As announced in the 2019 annual report and 2020 annual report of the Company, the Group has been continuously reviewing its business for a long time to optimise its asset and investment portfolio. During the year ended 31 December 2020, the Group terminated or suspended certain businesses, and conducted feasibility studies on new businesses, including but not limited to yacht businesses. Currently, the Group is formulating appropriate investment plans for such possible new businesses. The new businesses may require the Group to provide certain initial funds, or to prove to its business partners that it has the capability to continuously provide financial resources. In view of the Group’s demand for liquidity, the Company successfully obtained the Shareholder Loan with favourable terms from Zhongying Int’l.

The Company intends to use the Shareholder Loan (i) as the general working capital of the Group; (ii) for expanding the existing businesses of the Group that are not terminated or suspended; and/or (iii) for investing in possible new business of the Group. The Shareholder Loan can improve the liquidity and increase the cash ratio of the Group, and provide certain guarantee for development of new business without incurring interest cost. The Board considers that the terms of the Shareholder Loan are fair and reasonable and in the interests of the Company and all shareholders as a whole.

The Company intends to repay the Shareholder Loan by (i) cash inflow from the business (including any possible new business) of the Group; and/or (ii) possible debt financing or equity financing, depending on whether the market is favourable and whether there are appropriate opportunities.

LISTING RULES IMPLICATIONS

Given that Zhongying Int'l is a controlling shareholder holding 75% of the issued share capital of the Company, the Shareholder Loan constitutes a connected transaction of the Company pursuant to the Listing Rules. As the Shareholder Loan is not secured by any assets of the Group and is entered into on normal commercial terms or better terms, the Shareholder Loan is fully exempt from shareholders' approval, annual review and all disclosure requirements under Rule 14A.90 of the Listing Rules.

WARNING

The Board would like to emphasize that as of the date of this announcement, the Company has not entered into any formal or legally binding agreement with respect to any possible new business. Should there be any update, the Company will make further announcement(s) as and when appropriate. Such new business may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the shares.

By order of the Board
PacRay International Holdings Limited
Duan Hongtao
Chairman

Hong Kong, 13 May 2021

As at the date of this announcement, the Board of the Company comprises nine Directors. The executive Directors are Mr. Duan Hongtao (chairman), Ms. Li Weina, Mr. Xu Yinsheng, Mr. Yang Lin and Mr. Zhang Fumin; the non-executive Director is Mr. Zhou Danqing; and the independent non-executive Directors are Ms. Ching Ching, Dr. Song Donglin and Dr. Zhang Shengdong.