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**RM GROUP HOLDINGS LIMITED**  
**御藥堂集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 932)**

**SUPPLEMENTAL ANNOUNCEMENT**  
**IN RELATION TO**  
**PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

**Placing Agent**



**Wealth Link Securities Limited**

Reference is made to the announcements (the “**Announcements**”) of RM Group Holdings Limited (the “**Company**”) dated 24 April 2017, 9 May 2017, 31 May 2017, 30 June 2017 and 31 July 2017 respectively in relation to the Placing. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

## **FIFTH SUPPLEMENTAL PLACING AGREEMENT**

On 22 September 2017, the Company and the Placing Agent entered into a fifth supplemental placing agreement (the “**Fifth Supplemental Agreement**”) to amend certain terms of the Placing Agreement (as amended by the Supplemental Agreement, Second Supplemental Agreement, Third Supplemental Agreement and Fourth Supplemental Agreement).

Pursuant to the Fifth Supplemental Agreement, the Company and the Placing Agent agreed to vary and amend the terms and conditions of the Placing Agreement in the following manners:–

### **AGGREGATE PRINCIPAL AMOUNT OF THE CONVERTIBLE BONDS**

The aggregate principal amount of the Convertible Bonds that the Placing Agent has, on a best effort basis, conditionally agreed to procure Places to subscribe is reduced from HK\$300 million to HK\$265 million at the original Conversion Price of HK\$4.65 which will be reset to HK\$4.00 after the first anniversary of the date of issue of the Convertible Bonds and before the Maturity Date.

### **DENOMINATION OF THE CONVERTIBLE BONDS**

The denomination of the Convertible Bonds is reduced from HK\$10 million to HK\$5 million each.

### **CONVERSION RIGHTS**

Subject to the terms and conditions of the Instrument, the Bondholder(s) shall be entitled to convert, in whole or in part, the Convertible Bonds into Conversion Shares on any Business Day from the first Business Day after 45 days from the date of issue of the Convertible Bonds up to 4:00 p.m. (Hong Kong time) on the Maturity Date. Any conversion shall be made in amounts of not less than a whole multiple of HK\$5 million on each conversion unless the amount of the outstanding Convertible Bonds is less than HK\$5 million in which case the whole (but not part) of that amount shall be converted.

### **ISIN CODE**

The Convertible Bonds shall have an ISIN code for settlement through the securities clearing system of Euroclear and Clearstream (or any alternative clearing system).

## **TRANSFER RESTRICTIONS ON THE CONVERTIBLE BONDS AND THE CONVERTIBLE SHARES**

The Bondholder may, subject to compliance with the Listing Rules and the terms of the Agency Agreement, freely transfer the Convertible Bonds in whole or in part (in whole multiples of HK\$5 million) of its outstanding principal amount to the transferee other than to a Connected Person.

All Conversion Shares to be issued on each conversion shall be subject to a lock-up period of 6 months and will not be transferable within the period of 6 months from the date of their issuance.

## **REDEMPTION**

Apart from the events of redemption disclosed in the Company's announcement dated 24 April 2017 relating to the Placing, a Bondholder may by written notice require the Company to redeem any part of the Convertible Bonds held by the Bondholder:–

- (a) on occurrence of any events of default under the Instrument, in which event the Convertible Bonds so redeemed shall become due and repayable on the date falling 21 Business Days after the date of such notice. Upon such redemption, the Company shall pay the Bondholder 120% of the outstanding principal amount of the Convertible Bonds to be redeemed together with any accrued but unpaid interest;
- (b) on occurrence of any Change of Control Event and after such Change of Control Event the closing price of the Shares quoted on the Stock Exchange falls below the Conversion Price for five (5) consecutive trading days of the Stock Exchange (provided always that the exercise of Conversion Rights by the Bondholders individually or collectively into Conversion Shares that result in 30% or more of the voting rights of the issued share capital of the Company or the reduction of the voting rights of the issued share capital of the Company held by the Existing Controlling Shareholders to below 30% shall not constitute or be taken as a Change of Control Event) in which event the Convertible Bonds so redeemed shall become due and repayable on the date falling 21 Business Days after the date of such notice. Upon such redemption, the Company shall pay the Bondholder a one-off lump sum equal to the aggregate outstanding principal amount of the Convertible Bonds to be redeemed together with an agreed return of 8.5% per annum internal rate of return and payment of any accrued but unpaid interest; and

- (c) if the Company fails to pay the second instalment of the consideration under the Acquisition Agreement, being HK\$55,000,000 in cash, within 10 days after the actual receipt by the Company of the proceeds raised pursuant to the issue of Convertible Bonds and the closing price of the Shares on any day at or after the twelve (12) months of the issue date of the Convertible Bonds quoted on the Stock Exchange is at or below the then Conversion Price in which even the Convertible Bonds so redeemed shall become due and repayable on the date falling 21 Business Days after the date of such notice. Upon such redemption, the Company shall pay the Bondholder a one-off lump sum equal to the aggregate principal amount of the Convertible Bonds to be redeemed together with an agreed return of 8.5 % per annum internal rate of return and payment of any accrued but unpaid interest.

## **USE OF PROCEEDS**

Assuming the Conversion Bonds are fully placed by the Placing Agent and based on the estimated expenses of the Placing, the gross and net proceeds from the Placing are estimated to be HK\$265 million and approximately HK\$250 million, respectively. The net proceeds from the Placing are intended to be applied in any potential acquisitions by the Company relating to (i) its principal business or (ii) any online or e-commerce technology businesses including but not limited to the acquisition under the Acquisition Agreement and for general working capital of the Company.

## **WARNING**

**Completion of the Placing is subject to the satisfaction of the conditions precedent set out in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Acquisition Agreement”	the agreement dated 30 June 2017 entered into between the Company and Cheung Shun Yee, Cheung Shun Kut, Ding Hai Yan and Larm Cheung Hon Peter in relation to the acquisition of Empire Access Limited (as amended and supplemented by the supplemental agreement entered into between the same parties on 15 September 2017) which was completed on 21 September 2017
“Agency Agreement”	the paying, conversion and transfer agency agreement to be entered (as amended or supplemented from time to time) between the Company and the agents, whereby the agents are appointed to act as agent for the paying agents, conversion agents and transfer agents for the Convertible Bonds

“Business Day”	the day on which licensed banks in Hong Kong carry on business but always excluding Saturday and Sundays
“Change of Control Event”	(i) any person or persons (other than the Existing Controlling Shareholders) acting together (together with parties acting in concert (within the meaning of the Takeovers Code) with it/them) acquires directly or indirectly 30% or more of the voting rights of the issued share capital of the Company; or (ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other person, unless the consolidation, merger, sale or transfer will not result in the other person or persons (other than the Existing Controlling Shareholders) acquiring Control over the Company or the successor entity
“Clearstream”	Clearstream Banking S.A. of Luxembourg
“Euroclear”	Euroclear Bank Sa/Nv of Belgium
“Existing Controlling Shareholders”	(i) Able Island Group Limited; (ii) Mr. Chan Yan Tak; (iii) the spouse of the person as referred to in (ii); and (iv) any person controlled by the person referred to in (i) or (ii)
“ISIN”	International Securities Identification Number

By order of the Board  
**RM Group Holdings Limited**  
**Chan Yan Tak**  
*Chairman*

Hong Kong, 22 September 2017

*As at the date of this announcement, the executive directors of the Company are Mr. CHAN Yan Tak, Mr. LEE Chi Hang, Sidney, Mr. WONG Ping Yiu, Mr. WANG Xihua, Mr. LAI Wei Lam, William and Mr. SO Kevin Hoi Chak; and the independent non-executive directors of the Company are Ms. SZETO Wai Ling, Virginia, Mr. LEUNG Winson Kwan Yau, Mr. TAM Kin Yip and Mr. LEUNG Man Loon.*