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華人策略控股有限公司

Chinese Strategic Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 8089)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTION LOAN TRANSACTION

Reference is made to the announcement (the “**Announcement**”) of Chinese Strategic Holdings Limited (the “**Company**”) dated 8 June 2020 in relation to a discloseable transaction relating to the provision of loan. Capitalized terms used herein shall have the same meanings as those defined in the Announcement, unless the context requires otherwise.

This announcement is made to provide additional information relating to the Borrower and the reason for and benefits of the provision of the Loan as below:

- (1) The Borrower operates a restaurant in Central named GUO FU LOU (Chinese Name: 國福樓) located at U/G Floor in The Pavilion, The Murray, Hong Kong, a Niccolo Hotel, 22 Cotton Tree Drive, Central.
- (2) GUO FU LOU had been operated at the Empire Hotel Hong Kong before it is moved to The Murray Hotel. Mr. Mok, one of the directors of the Company, had assisted in managing the then GUO FU LOU when he was in another GEM board listed company, named Chinese Food and Beverage Group Limited (Stock Code: 8272). GUO FU LOU has been rated as a Michelin one star restaurant for several times since 2014 and is a classy restaurant in Hong Kong. The Borrower has invested over HK\$20 million in properties, factories, equipment and apparatus and hence, it is believed that the Borrower has a sound financial status and is running its business properly.

- (3) Based on the experience of Mr. Mok in managing the same restaurant, the monthly turnover of a restaurant with 100 seats is about HK\$2 to 3 million. As such, without hindrances caused by the global pandemics, the Borrower would have sufficient cash flow to repay the Loan and the interest accrued thereof.

At the time the Company advanced the Loan to the Borrower, the problems caused by the global pandemics seemed to have eased and ended. Given the reputation of the restaurant operated by the Borrower, the Company considered that granting the Loan to the Borrower was with low risk and hence, no collateral/security was necessary for granting the Loan to the Borrower.

Further, the terms of the Loan Agreement stipulate that the Lender has the right within 180 days of the date of the Loan Agreement to assign a party to operate sales of tea and beverage products at the Borrower's premises, i.e. GUO FU LOU. The Company is still exploring this opportunity of a tea products retail window at The Murray Hotel in Central. The Directors consider that such option allows the Company to explore potential of expanding its business to the tea and beverage industry at low costs and risk and therefore, the granting of the Loan to the Borrower is in the interest of the Company and shareholders as a whole.

Save as disclosed in this announcement, all information and contents as set out in the Announcement and the Supplemental Announcement remain unchanged.

By Order of the Board
Chinese Strategic Holdings Limited
Lam Kwok Hing Wilfred
Chairman

Hong Kong, 28 September 2020

As at the date hereof, the Company's executive Directors are Ms. Chan Shui Sheung Ivy and Mr. Mok Tsan San; the non-executive Director is Mr. Lam Kwok Hing Wilfred, J.P. (Chairman); and the independent non-executive Directors are Ms. Yuen Wai Man, Mr. Chow Fu Kit Edward and Mr. Lam Raymond Shiu Cheung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least 7 days and the Company website at www.chinesestrategic.com from the date of its publication.