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CHONG KIN GROUP HOLDINGS LIMITED

創建集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1609)

**DISCLOSEABLE TRANSACTIONS
PROVISION OF LOAN**

The Board would announce that on 13 December 2021, the Lender, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to provide to the Borrower a loan of HK\$40,000,000 for a term of 12 months subject to the terms and conditions of the Loan Agreement.

On 13 December 2022, the Lender and the Borrower entered into the Supplemental Loan Agreement which amended and supplemented the Loan Agreement by extending the term of the Loan Agreement from 12 months to 18 months.

As the relevant percentage ratios in respect of the amount of financial assistance granted to the Borrower exceed 5% but are under 25%, the transactions contemplated under each of the Loan Agreement and the Supplemental Loan Agreement constitute discloseable transactions of the Company and are therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

The Board announces that on 13 December 2021, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower.

On 13 December 2022, the Lender and the Borrower entered into the Supplemental Loan Agreement which amended and supplemented the Loan Agreement.

THE LOAN AGREEMENT AS SUPPLEMENTED AND AMENDED BY THE SUPPLEMENTAL LOAN AGREEMENT

Principal terms of the Loan Agreement (as amended and supplemented by the Supplemental Loan Agreement) are set out as below:

Date of the Loan Agreement	:	13 December 2021
Date of the Supplemental Loan Agreement	:	13 December 2022
Lender	:	China Golden Holdings Limited, an indirect wholly-owned subsidiary of the Company
Borrower	:	the Borrower
Amount of Loan	:	HK\$40,000,000
Interest rate	:	12% per annum, payable in arrears on a quarterly basis
Default interest rate	:	additional interest of 1% per month on any overdue sum
Maturity date:	:	18 months from the date of the Loan Agreement
Prepayment	:	the Borrower may give prior written notice that specifies the date of prepayment to the Lender and make an early repayment of all of the outstanding balance of the Loan together with all interest accrued and unpaid thereon

The Loan was funded by internal resources of the Group.

INFORMATION AND RELATIONSHIP WITH THE BORROWER

The Borrower is a company incorporated under the law of the Cayman Islands, the shares of which are listed on The Stock Exchange (stock code: 1683), its principal business is investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Borrower and its ultimate beneficial owners are third parties independent of the Company and its connected persons as at the date of this announcement.

REASONS FOR ENTERING INTO THE LOAN AGREEMENT AND THE SUPPLEMENTAL LOAN AGREEMENT

The Group is principally engaged in two operating segments: (i) provision of concrete placing and other ancillary services as a subcontractor for both public and private sector projects, including building and infrastructure related projects in Hong Kong; and (ii) provision of loan finance business in Hong Kong.

The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and is principally engaged in the business of money lending. The provision of the Loan is a transaction carried out as part of the ordinary and usual course of business activities of the Group.

The terms of the Loan Agreement (as amended and supplemented by the Supplemental Loan Agreement) (including the interest rate) were negotiated on arm's length basis between the Lender and the Borrower and were on normal commercial terms based on the Group's credit policy. Taking into account the results of the due diligence on the financial background of the Borrower, the Directors consider that the terms of the Loan Agreement (as amended and supplemented by the Supplemental Loan Agreement) are fair and reasonable and the entering into of the Loan Agreement (as amended and supplemented by the Supplemental Loan Agreement) is in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios in respect of the amount of financial assistance granted to the Borrower exceed 5% but are under 25%, the transactions contemplated under each of the Loan Agreement and the Supplemental Loan Agreement constitute discloseable transactions of the Company and is therefore subject to the announcement requirement but exempt from Shareholders' approval requirement under the Listing Rules.

The Company has not published an announcement as required under Rule 14.34 of the Listing Rules as soon as possible in respect of the entering into the Loan Agreement. Such non-compliance was attributable to an unintentionally oversight only and it was a standalone incident.

Since the discovery of such non-compliance, the Company has conducted a full review of the Group's internal control system to ensure that the Group will be able to fully comply with the Listing Rules in connection with its loan facility transactions on a timely basis.

The Company has designated additional human resources to oversee its loan facility transactions and such staff members are required to counter check the requirements of the Listing Rules including but not limited to size test calculations of the loan facility transactions to ensure all disclosure and other requirements under the Listing Rules are fully complied with.

The Company believes following the implementation of the above remedial measures, the Company will be able to assess the Listing Rules implications of its loan facility transactions more accurately and to better avoid unintentional oversight. Going forward, the Company will be extra vigilant to ensure full compliance with the requirements under Chapter 14 of the Listing Rules in respect of its loan facility transactions.

DEFINITIONS

“Board”	board of Directors of the Company
“Borrower”	Hope Life International Holdings Limited (曠逸國際控股有限公司), a company incorporated under the laws of the Cayman Islands, the shares of which are listed on The Stock Exchange (stock code: 1683)
“Company”	Chong Kin Group Holdings Limited, a company incorporated under the laws of the Cayman Islands, the shares of which are listed on The Stock Exchange (stock code: 1609)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Loan Agreement”	the loan agreement dated 13 December 2021 entered into between the Lender and the Borrower relating to the granting of the Loan
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Lender”	China Golden Holdings Limited (中光集團有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the amount of HK\$40,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement (as amended and supplemented by the Supplemental Loan Agreement)

“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Loan Agreement”	the supplemental loan agreement dated 13 December 2022 which amended and supplemented the Loan Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Chong Kin Group Holdings Limited
Zhang Jinbing
Chairman

Hong Kong, 13 December 2022

As at the date hereof, the Board comprises two executive Directors, namely, Mr. Zhang Jinbing and Mr. Leung Chi Kwong Joe; and three independent non-executive Directors, namely Mr. Tam Ping Kuen Daniel, Ms. Chen Weijie and Mr. Zhao Hangen.